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M I N U T E S
BUDGET AND FINANCE COMMITTEE
COUNCIL OF THE COUNTY OF MAUI
WAILUKU, MAUI, HAWAII
MARCH 18, 2009

APPROVED:


Committee Chair

REPORTED BY: Tonya McDade
Hawaii Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Captioner

1 CONVENE: 9:08 a.m.

2 PRESENT: Councilmember Joseph Pontanilla, Chair
3 Councilmember Danny A. Mateo, Vice-Chair
4 Councilmember Gladys C. Baisa, Member
5 Councilmember Jo Anne Johnson, Member
6 Councilmember Sol P. Kaho'ohalahala, Member
7 Councilmember Michael P. Victorino, Member

8 EXCUSED: Councilmember Bill Kauakea Medeiros, Member
9 Councilmember Michael J. Molina, Member
10 Councilmember Wayne K. Nishiki, Member

11 STAFF: Gayle Revels, Legislative Analyst
12 Yvette Bouthillier, Substitute Committee
13 Secretary
14 Leinaala Kihm, Executive Assistant to
15 Councilmember Medeiros

16 ADMIN: Frederick Pablo, Budget Director, Office of
17 the Mayor
18 Kalbert L. Young, Director, Department of
19 Finance
20 Cheryl K. Okuma, Director, Department of
21 Environmental Management
22 Greggory R. Kresge, Deputy Director,
23 Department of Environmental Management
24 Tracy Takamine, Chief, Solid Waste Division,
25 Department of Environmental Management
26 David Taylor, Chief, Wastewater Reclamation
27 Division, Department of Environmental
28 Management
29 Milton M. Arakawa, Director, Department of
30 Public Works
31 Cary Yamashita, Chief, Engineering Division,
32 Department of Public Works
33 Traci Fujita Villarosa, First Deputy
34 Corporation Counsel, Department of the
35 Corporation Counsel

36 Seated in the audience:
37 Joseph Krueger, Civil Engineer, Engineering
38 Division, Department of Public Works

39 PRESS: Akaku: Maui Community Television, Inc.

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1 CHAIR PONTANILLA: ... (gavel)... Good morning,
2 Members. The Budget and Finance Committee meeting for
3 March 18, 2009 is now in session. The time is 9:08.
4 Members, thank you for being here this morning.

5 This morning, we'll be reviewing the CIP
6 projects utilizing the December 31st, 2008 Capital
7 Improvement Project Implementation Report as well as the
8 Finance -- Finance Director's Quarterly Report. So it's
9 gonna be interrelated. One, will have the projects all
10 by itself; and then the other one would show you the
11 dollar amount. So, hopefully, we can breeze through.

12 The Chair had picked 10 projects for
13 Environmental Management as well as this afternoon on
14 Public Works projects that, you know, are of most
15 interest to us today as -- as Council Members. So today
16 and tomorrow, we'll review Capital Improvement Projects
17 for the County of Maui. And on Monday of next week, we
18 go into the Budget Session.

19 And before I add my comments, I would like to
20 tell you folks that, you know, over the weekend, have a
21 good night rest. And the Chair's intent is, starting
22 next week, not to go too late everyday. Hopefully, we
23 can complete by 4:30. So -- okay, Members.

24 Do we have anybody signed up for public
25 testimony?

1 MS. BOUTHILLIER: No.

2 CHAIR PONTANILLA: No, okay. So we can go
3 directly into the reports themselves. Members, if
4 there's no objections, the Chair would like to close
5 public testimony.

6 COUNCILMEMBER BAISA: No objections.

7 COUNCILMEMBER VICTORINO: No objections.

8 CHAIR PONTANILLA: Thank you. Joining us
9 today from the Administration, we do have our First
10 Deputy from Corporation Counsel, Traci Fujita Villarosa.
11 Our Finance Director, Mr. Kalbert Young as well as our Budget
14 Director, Mr. Fred Pablo. In the audience, we do have people from
15 the Environmental Management area. So, Members, at this
16 time, the Chair would like to also recognize the staff
17 that is supporting our meeting this morning. We do have
18 Gayle Revels, Legislative Analyst, as well as Yvette
19 Bouthillier, our Committee Secretary.

20 ITEM NO. 4: FINANCE DIRECTOR'S QUARTERLY AND CIP
REPORTS (C.C. No. 09-74)

21 ITEM NO. 5: CIP IMPLEMENTATION REPORT
22 (C.C. No. 09-61)

23 CHAIR PONTANILLA: At this time the Chair
24 would like to have opening comments by both, you know,
25 the Budget Director as well as the Finance Director, but

1 we'll take the Finance Director first.

2 MR. YOUNG: Good -- good morning, Mr. Chair
3 and Members.

4 This agenda item is for the Finance Director's
5 Quarterly Report and CIP Quarterly Reports. These
6 reports are provided to the Council on a quarter basis,
7 or every three months, so -- and they reflect activity
8 through the conclusion of the quarter. So the report
9 before you is for all activity through December 31st of
10 2008. And that represents the first half of the current
11 fiscal year. So the report includes operational reports
12 on the financial side as well as the CIP reports. And
13 they are both unaudited.

14 With us today from the Administration, in
15 preparations for any of your questions, is the
16 Department of Environmental Management, both the
17 Director and Deputy and supporting staff. And later on
18 today, the Department of Public Works, Director's Office
19 and supporting staff, will be available for any
20 questions in that area.

21 With that, Mr. Chair, we're available for any
22 questions the Committee may have.

23 CHAIR PONTANILLA: Thank you, Mr. Young.

24 Mr. Pablo, do you have any comments to make at
25 this time?

1 MR. PABLO: Thank you, Mr. Chair. Just --
2 just a short comment.

3 The CIP Implementation Report is put together
4 by the Budget Office. It's -- it supplements the
5 Finance Director Quarterly Report. It contains all of
6 the CIP projects for the last quarter. But it's a
7 reflection of what we have also in the Finance
8 Director's Report.

9 Thank you.

10 CHAIR PONTANILLA: Thank you.

11 Members, at this time the Chair would like to
12 call forward the Environmental Management Department,
13 Ms. Cheryl Okuma, the Director of the Department.

14 And, Cheryl, can you introduce the person that
15 also came down with you?

16 MS. OKUMA: Good morning. Good morning,
17 Committee Chair and Council Members.

18 With me is Gregg Kresge, the Deputy Director.
19 And also available are Dave Taylor, the Chief of
20 Wastewater Reclamation, and Tracy Takamine from the
21 Solid Waste Division.

22 CHAIR PONTANILLA: Thank you.

23 This morning, Members, the Chair would like to
24 focus on several of the projects and have the Department
25 provide the following: A brief history of the project,

1 current status of the project, and any future
2 requirements. Then we'll open the floor for questions
3 from the Members.

4 And, Members, there's 10 projects that we're
5 gonna be reviewing are basically what the Chair had
6 selected. And if you have any questions regarding the
7 CIP Reports on anything in regards to the Environmental
8 Management Department, if you could forward those
9 questions to the Chair, and then we'll have the
10 Department provide us with answers to those questions.

11 Members, this morning, I failed to introduce
12 all of the Members that are here this morning. So at
13 this time I'd like to introduce the Members. We do have
14 Member Baisa.

15 COUNCILMEMBER BAISA: Good morning.

16 CHAIR PONTANILLA: Member Johnson.

17 COUNCILMEMBER JOHNSON: Good morning.

18 CHAIR PONTANILLA: Member Kaho'ohalahala, Member
19 Mateo and Member Victorino.

20 COUNCILMEMBER VICTORINO: Good morning, Chair.

21 CHAIR PONTANILLA: Excused at this time are
22 Members Molina, Medeiros, Nishiki, three members.

23 So with that, Members, Ms. Okuma, if you
24 could, the first project that I have noted is the
25 Central Maui Landfill Phase V. Members, for -- for you,

1 it's on Page 1 of this report that you -- you know, this
2 short report. And, also, on -- on the CIP -- Finance
3 Director's Quarterly Report, on Page 23, if you wanna
4 follow through. So our first project the Chair has is
5 the Central Maui Landfill Phase V.

6 Ms. Okuma.

7 MS. OKUMA: Yes. If I may, I'm going to ask
8 our Solid Waste Division Chief, Tracy Takamine, to
9 provide some information with respect to that project.

10 CHAIR PONTANILLA: Thank you.

11 MR. TAKAMINE: Good morning.

12 Central Maui Landfill Phase V construction.
13 It's a construction project budgeted for \$12 million.
14 The contract was awarded to Goodfellow Brothers for
15 \$6.986 million. So we -- we came in way under budget
16 on -- on that project.

17 We're currently waiting -- I think we received
18 all the permits. Their start date should be any time
19 soon, sometime about -- it should have been March 9th,
20 but I -- I don't believe they started yet. So they
21 should be starting some time this month. Projected
22 completion date for this project, we would like them to
23 finish within the next five to six months, so we can
24 have that cell open and ready for use within the near
25 future.

1 Other than that is -- oh, and I also wanna
2 add, this project also includes the construction of a
3 30-foot-high litter fence that'll be installed parallel
4 to Pulehu Road. And we're also constructing an
5 additional fifth bay for the residential drop off area.

6 CHAIR PONTANILLA: Thank you.

7 Members, any questions for Mr. Takamine in
8 regards to Central Maui Landfill? Member Mateo?

9 VICE-CHAIR MATEO: Chairman, thank you.

10 Mr. Takamine, good morning. Just for
11 information purposes, the original appropriation of \$12
12 million, the final bid by Goodfellow was \$6.9. Was that
13 the original bid, or was that put out a second time to
14 come out to virtually half of the Department's actual
15 projection?

16 MR. TAKAMINE: We -- we just went out to bid
17 one time on this project. The -- the actual bid
18 initially was received by Rojac, but we -- there was a
19 typographical or accounting error. So it -- it went to
20 the second lowest bidder, Goodfellow Brothers.

21 VICE-CHAIR MATEO: The second lowest bidder?

22 MR. TAKAMINE: Yes.

23 VICE-CHAIR MATEO: What was the first lowest
24 bidder?

25 MR. TAKAMINE: It was about \$40,000 less, real

1 close. I -- I -- I don't recall the exact amount.

2 VICE-CHAIR MATEO: And -- and, I'm sorry, the
3 first lowest bidder didn't get the bid because?

4 MR. TAKAMINE: There was a -- a mathematical
5 error in a line item in his calculation.

6 VICE-CHAIR MATEO: Okay. And \$40,000 less
7 than the 6.9. Can you tell me how the Department
8 projected 12 million?

9 MR. TAKAMINE: Engineer -- engineer estimate.

10 VICE-CHAIR MATEO: And the engineer's estimate
11 is usually this high?

12 MS. OKUMA: Maybe I can just add to that
13 and -- and have, maybe, Mr. Takamine address some of the
14 details. But it seems that this bid came in at the time
15 that the economy was really taking a pretty bad turn.
16 And our awareness at this point is that construction --
17 construction bids as a result are coming in much less
18 than what they might have been a year prior. And, quite
19 frankly, I think some of these construction companies
20 are just trying to come in at a bid, and rather than a
21 -- a profit margin, they're really looking at just
22 keeping their payroll going. And so the belief is that this
23 is a reflection of our economic times.

24 VICE-CHAIR MATEO: Okay. Thank you very much.
25 Chairman, thank you very much.

1 CHAIR PONTANILLA: Thank you, Member Mateo.
2 Member Victorino?

3 COUNCILMEMBER VICTORINO: Thank you. Just to
4 continue on the same line of questioning, the concern I
5 have is you mentioned that now these bids for which the
6 County is benefiting -- and I think we're all happy for
7 that. Because I said like two years ago, the day of
8 reckoning was coming. But it came a lot quicker than
9 most of us and a lot harder than many of us expected.
10 But going back to this coming in just bare minimum
11 profit or just covering their payroll, my concern
12 becomes twofold. And you answer me if you think this is
13 a possibility.

14 Number one: The job is not done properly or
15 correctly and that we have to go back and redo it. Is
16 that a possibility?

17 MS. OKUMA: That is something that is a
18 potential with respect to any construction bid that
19 comes in. And, of course, we would want to manage it so
20 that we don't end up with such a project with -- with
21 such a problem.

22 COUNCILMEMBER VICTORINO: Well, that's my
23 first concern. I think the public shares that, that,
24 you know, we get these maybe ridiculously low bids, or
25 low bids, whichever word you wanna use. And then, all

1 of a sudden, the job is not performed right, and then we
2 have to go back and redo it so that -- or -- or correct
3 the mistakes, or -- what is the other term you guys use
4 all the time when you don't stay on schedule? There's a
5 term. I --

6 MS. OKUMA: (Inaudible.)

7 COUNCILMEMBER VICTORINO: I'm sorry, it
8 slipped my mind. You know, I know there's a term when
9 you ask for extensions or you're not completed on a
10 certain time period that you gotta go back in and ask
11 for more money.

12 MS. OKUMA: Change orders.

13 COUNCILMEMBER VICTORINO: Change orders.
14 Thank you. Thank you. And change orders may become
15 prevalent. So, again, I know the construction company.
16 And I think I -- I trust them. They're a longtime local
17 company. But my concern is when we get to this point,
18 these bids becoming very, very feasible for us to do,
19 but maybe costing on the back end of the deal.

20 MS. OKUMA: I think one thing to remember is
21 that you know, we have bid specs that they're required
22 to comply with and be responsive to as far as what they
23 submit as far as their bid submittal. And so the
24 expectation is they've gotta at least meet those bid
25 specs. And I believe that this -- the bid specs were

1 probably prepared, you know, right around the time --
2 maybe prior to the economy just turning as badly as it
3 did. So we still have our expectations which are
4 spelled out in the bid documents. We would expect that
5 they've been -- they've been responsive to whatever
6 those requirements are. And then, of course, the rest
7 of it is making sure that they perform. So we would not
8 want to see a deficient project. We would wanna be sure
9 that they are being held to the obligation and the
10 requirements.

11 COUNCILMEMBER VICTORINO: Okay, Ms. Okuma.
12 Thank you. And I think the public, you know, having
13 them reassured that -- that we're not just grabbing the
14 lowest bid, no matter who walks in the door, and going
15 from there. That we do have a system in place to
16 protect their well-being is important.

17 Again, I -- I just worry when it starts
18 getting, what you just said, just enough to cover their
19 payroll, that gives them no longitude or no latitude in
20 case things do not go right, or on time, or there are
21 challenges that are unforeseen that change orders become
22 the norm. And that becomes more expensive for the
23 people.

24 The last question: Will any of this, what --
25 monies that are being used for this -- and

1 Mr. Pontanilla and I just returned from D.C. And all
2 this stimulus money that is gonna be coming down through
3 various departments, will this be -- some of this money
4 we look at -- I know we appropriated, but will we still
5 look at maybe getting from the revolving fund, I think
6 revolving fund, or any other sources that could help us
7 even not use our money, which is our money, you know, no
8 matter if it's the State, County or Federal. But the
9 stimulus money that's coming on this --

10 MS. OKUMA: Yes.

11 COUNCILMEMBER VICTORINO: -- Revitalization
12 Act that Congress passed recently --

13 MS. OKUMA: Yes.

14 COUNCILMEMBER VICTORINO: -- will some of this
15 the money be able to help us in these projects?

16 MS. OKUMA: Well, let me -- let me address it
17 this way.

18 COUNCILMEMBER VICTORINO: Yeah.

19 MS. OKUMA: In this case we're talking solid
20 waste projects. There has been evolving information
21 coming in from the Federal Government as far as stimulus
22 money. The other understanding is that when the feds do
23 release that money that it will come through the
24 existing avenues, such as CDBG, such as State Revolving
25 Fund. Those are already existing avenues. And we have

1 been in touch and are in close touch with the Department
2 of Health which is delegated that function from EPA to
3 handle the SRF funding.

4 We know that most of that funding is primarily
5 for wastewater. Very, very little, if any, solid waste
6 applies. Nevertheless, when we were asked to put
7 together a list very early on, which went to the U.S.
8 Conference of Mayors, through our Mayor, that was
9 basically, at that point, sort of a wish list, not that
10 we would get that, but based on the best information we
11 had. We did submit some solid waste projects, but I
12 think as information has come out, the -- we've realized
13 that there's really very, very little that -- money --
14 that stimulus money specifically for solid waste
15 projects. But nevertheless, we did put up -- put forth
16 some of our -- our wish list in terms of funding. But
17 I'm not sure at this point that they would qualify with
18 the various criteria that's been -- that we're aware of.

19 COUNCILMEMBER VICTORINO: Thank you,
20 Ms. Okuma. I think that's important, again, for the
21 public to understand. Because they hear so much out
22 there, and they're not certain how this works for
23 various departments. And I think Mr. Pontanilla and I
24 got -- the one thing we got real clear is that it's
25 still evolving. They -- they -- nothing's -- nothing

1 has been really determined yet. They're still trying to
2 work on guidelines and all that. So, hopefully, this
3 will be able to help us. Whether it's just wastewater
4 and/or solid waste, it will be able to help us.

5 So thank you, Ms. Okuma. And I'll -- I'll
6 yield to my colleagues.

7 Thank you Mr. Pontanilla.

8 CHAIR PONTANILLA: Thank you.

9 Members, any more questions regarding this
10 particular project?

11 If not, thank you, Cheryl, for that brief
12 information regarding the ARRA, the stimulus money, how
13 it's working here in the State of Hawaii.

14 You know, like Member Victorino had mentioned,
15 we just got back. And I think we learned a lot in
16 regards to how this program's gonna be working. And,
17 you know, like everything else, we're at the mercy of the
18 State in -- in regards to receiving those monies, either
19 through SRF loans or other programs that the State has.
20 And, also, CDBG which comes directly to the CDBG Office.

21 So thank you for that brief information.

22 The second project that I had noted, the
23 Lahaina Recycling Drop-box & Redemption Center.
24 Members, it's on Page 1 on your CIP Report, and Page 24
25 on your Finance Director's Quarterly Report.

1 Mr. Takamine? Department?

2 MR. TAKAMINE: The Lahaina Recycle Center FY
3 '08 Project, budget of \$2 million. We currently -- at
4 the current time, we have designed the site. We've
5 located it at the -- it's currently gonna be located at
6 the Mala Wharf area, near Pump Station Number 4,
7 Wastewater Pump Station Number 4. We're actually
8 utilizing the land that was, I guess, originally
9 intended for a future or expansion of the wastewater
10 pump station. However, since it's not gonna be
11 utilized, we have discussed it with Wastewater. And we
12 are being -- we are going to locate the recycle center
13 on approximately -- I think it's about three-quarters of
14 an acre next to the pump station. The land is
15 currently, by Executive Order from the State, for only
16 wastewater pump station use. So we're in the process of
17 having the Executive Order amended to reflect or -- or
18 changed to reflect the ability to put the Lahaina
19 Recycle Center on it. We're also working on a SMA
20 Permit application at this time which we anticipate to
21 be completed within next six to eight months.

22 The project -- due to the funding lapsing in
23 December of '08, we went out to bid on that project.
24 And the contractor is Maui Master Builders. The
25 contract total amount was \$698,659. So we do have a

1 contractor in place. Unfortunately, because of with the
2 SMA Permit and the EO requirements, we have instructed
3 the contractor -- and we put that in his bid, when he
4 went out to bid, that he will not be given an NTP for a
5 period of up to one year. So he has to hold his price
6 for up to one year. So we -- we have a time limit of
7 getting the SMA Permit application approved and getting
8 the EO changed before we can issue an NTP to Maui Master
9 Builders.

10 CHAIR PONTANILLA: Thank you. Member Johnson,
11 question?

12 COUNCILMEMBER JOHNSON: Yes. Because you're
13 doing the SMA, is that due to the proximity to the
14 ocean?

15 MR. TAKAMINE: Yes. It's this -- this is --
16 area is located within the SMA zone.

17 COUNCILMEMBER JOHNSON: Okay. And because the
18 other thing was gonna be a wastewater pump station, do
19 you anticipate that you'll have any difficulty getting
20 your use approved since, you know, ours is not --
21 doesn't involve injection or overflow or anything except
22 maybe some fugitive, I guess, recycling materials that end
23 up, but it's gonna be fenced anyway, right?

24 MR. TAKAMINE: Yes, it's gonna be fenced.
25 Talking to DLNR, they -- they don't anticipate any

1 problems.

2 COUNCILMEMBER JOHNSON: Okay.

3 MR. TAKAMINE: It used to be, actually, an old
4 wastewater pump station. There's actually a structure
5 on there now with . . .

6 COUNCILMEMBER JOHNSON: Is that where that
7 little -- it looks like an outhouse?

8 MR. TAKAMINE: Yes, exactly. Between . . .

9 COUNCILMEMBER JOHNSON: Okay.

10 MR. TAKAMINE: Between the existing pump
11 station and -- and the cemetery.

12 COUNCILMEMBER JOHNSON: Yeah, I know right
13 where it is. Yeah. That is right next to the ocean.

14 MR. TAKAMINE: We -- we anticipate going to
15 the Board, I believe, in April. And -- and our
16 communications with DLNR indicates that there shouldn't
17 be a problem in getting it changed.

18 COUNCILMEMBER JOHNSON: Okay. And how -- as
19 far as doing -- because you're doing a -- a -- an
20 environmental assessment, are you doing that or just the
21 SMA Permit?

22 MR. TAKAMINE: At this time, just the SMA
23 Permit.

24 COUNCILMEMBER JOHNSON: Because is it gonna be
25 under \$125,000?

1 MR. TAKAMINE: No. This --

2 COUNCILMEMBER JOHNSON: Oh, this one . . .

3 MR. TAKAMINE: -- project came in at --

4 COUNCILMEMBER JOHNSON: No.

5 MR. TAKAMINE: -- 698. But for a recycled
6 center, there is an exemption for an EA.

7 COUNCILMEMBER JOHNSON: Oh, okay..

8 MR. TAKAMINE: We don't have to do one.

9 COUNCILMEMBER JOHNSON: Okay. Because --
10 yeah. And I -- I'm looking at the figures and, of
11 course, it's way more than 125. But originally there
12 was budgeted two million, right?

13 MR. TAKAMINE: That's correct.

14 COUNCILMEMBER JOHNSON: Okay. Now, because
15 that money lapsed, how are you accounting for that? I
16 guess was that carryover?

17 MR. TAKAMINE: Well, we -- we went out to bid
18 before the money lapsed. So all -- all the money that's
19 currently encumbered was encumbered before the lapsing
20 of funds.

21 COUNCILMEMBER JOHNSON: Okay. But that's only
22 698,000, right?

23 MR. TAKAMINE: The -- the actual contract bid
24 was \$698,659. And we also already encumbered and spent
25 \$403,373 for design and permitting costs.

1 COUNCILMEMBER JOHNSON: Okay. And so you'll
2 just use up the balance of that, you know, roughly
3 700,000, then?

4 MR. TAKAMINE: Well, that -- that actually
5 lapsed. So that -- that lapsed.

6 COUNCILMEMBER JOHNSON: So you'll have . . .

7 MR. TAKAMINE: The remaining funds lapsed.

8 COUNCILMEMBER JOHNSON: So you'll have to come
9 back to us?

10 MR. TAKAMINE: I -- if -- if we need -- if
11 there's something that we didn't account for, we -- we
12 might have to come back. But in our bid, we try to
13 account for as much as we could and anticipate any --
14 anything -- you know, it's -- it's pretty simple
15 project. It's just open pavement with some drainage and
16 fencing and -- and -- and landscaping. So we don't
17 anticipate any big change orders or any -- any --

18 COUNCILMEMBER JOHNSON: So it's similar to the
19 Olowalu facility except smaller?

20 MR. TAKAMINE: Similar to the Kihei --

21 COUNCILMEMBER JOHNSON: Oh.

22 MR. TAKAMINE: -- facility. It's -- it's not
23 gonna be like the Olowalu facility, but it's gonna be
24 similar to the Kihei facility.

25 COUNCILMEMBER JOHNSON: Okay. And so when you

1 talk about lapsing, you encumbered, roughly, the 700
2 and -- whatever it is -- 768, you encumbered that, all
3 of that?

4 MR. TAKAMINE: Yes. We -- we encumbered
5 approximately 700,000 for the construction contract.
6 And we are -- encumbered 400-plus thousand for the
7 design and permitting.

8 COUNCILMEMBER JOHNSON: Oh, okay. So what
9 remains after that, of the two million, then, that
10 just -- you know, it lapsed and it rolled over --

11 MR. TAKAMINE: Yes.

12 COUNCILMEMBER JOHNSON: -- as carryover?

13 MR. TAKAMINE: Yes.

14 COUNCILMEMBER JOHNSON: Okay. Thank you.

15 CHAIR PONTANILLA: Thank you, Member Johnson.

16 Members, any more questions regarding this
17 particular item? Any questions, Members?

18 Seeing none, thank you, Mr. Takamine, for
19 that.

20 The next project is the Molokai Landfill
21 Left-Turn Lane, also on Page 1, and on Page 24 and 25 of
22 your Finance Director's Quarterly Report. Department?

23 MR. TAKAMINE: Molokai Left-Turn Lane was
24 completed last year. So it's a -- it's a completed
25 project.

1 CHAIR PONTANILLA: Good to hear.

2 MR. TAKAMINE: We're -- we're waiting for a
3 final closeout. I think, in fact, we've closed it out.
4 We're just waiting for a final letter from DOT saying that
5 it meets their requirements. And then we're gonna
6 utilize that to then close out our subdivision of the
7 Molokai Landfill. This was a requirement, a condition
8 of the Molokai Landfill Subdivision, that we put the
9 left-turn lane in. So, hopefully, we can close it out
10 and get our permit -- operating permit for Molokai
11 Landfill.

12 CHAIR PONTANILLA: Thank you. Good to hear
13 it's already completed. Just waiting for paperwork to
14 get --

15 MR. TAKAMINE: Yes.

16 CHAIR PONTANILLA: -- submitted.

17 Members, any questions to that one? Member
18 Mateo?

19 VICE-CHAIR MATEO: Chairman, thank you very
20 much.

21 Mr. Takamine, the -- thank you. That's a --
22 that's a terrific project and, you know, I guess well
23 worth its wait to -- for completion.

24 The project itself has a current encumbrance
25 fund of over 80 -- \$81,000. Is there a specific use for

1 that encumbered fund since the project is completed?

2 MR. TAKAMINE: Not at this time. I -- I don't
3 know exactly how much is remaining, but whatever's
4 remaining will just get -- I guess get -- be
5 appropriated for Solid Waste use.

6 COUNCILMEMBER MATEO: Thank you.

7 MR. TAKAMINE: But we don't anticipate using
8 it at this time.

9 VICE-CHAIR MATEO: Thank you, Chairman.

10 CHAIR PONTANILLA: Thank you. And I'd like to
11 thank Member Mateo for giving up that Left-Turn Lane
12 Project dollars way back when. I think it was two,
13 three years ago. With that money that we diverted, we
14 diverted to purchase a piece of land in the Molokai
15 Light Industrial Subdivision for the move of the Public
16 Works headquarters. So my compliments and my thank you
17 to Member Mateo for allowing us to do that.

18 The next project is the Lanai Landfill Storm
19 Water Waste -- Storm Water System Reconstruction.
20 Members, it's on Page 1 and 2 of your CIP Report at Page
21 24 of your Finance Director's Quarterly Report.

22 Mr. Takamine?

23 MR. TAKAMINE: Okay. This project was
24 actually started in 2007. We originally had funding for
25 this project of \$1 million in 2007. Based on engineer

1 estimate, an additional 1.9 million was requested and
2 approved in FY 2008, bringing the total authorized for this
3 project supposedly be \$2,900,000. And the project went
4 out to bid in November of 2007. The low bid came in at
5 \$2,186,149.

6 However, back at that time, due to
7 circumstances beyond the Solid Waste Division's control,
8 the project was not allowed to go out for contract. The
9 \$900,000 from FY 07 was lapsed. When we went back, in
10 '08, we requested -- instead of the entire 900,000, we
11 requested 500,000 supplemental budget for FY-08. So the
12 current project costs is be -- is about \$2.4 million.
13 The contractor is M and M Tanks. We currently have one
14 amendment in place. They anticipate completing this
15 project April 30th, 2009. It's currently 90 percent
16 complete.

17 CHAIR PONTANILLA: Thank you.

18 Members, any questions regarding this
19 particular project? Mr. Kaho'ohalahala, questions?

20 COUNCILMEMBER KAHO'OHALAHALA: You know, I was
21 able to kinda see that, but the project is -- is a
22 diversion cemented ditch that goes around the landfill.
23 And that diverted water is -- is -- is it being held in
24 a . . .

25 MR. TAKAMINE: The water goes down to a

1 retention basin at the bottom of the landfill.

2 COUNCILMEMBER KAHO'OHALAHALA: So it's in
3 retention?

4 MR. TAKAMINE: And we have an overflow into
5 the gulch. Any overflow is considered storm water
6 addition charge and we need to report to the Department
7 of Health.

8 COUNCILMEMBER KAHO'OHALAHALA: Okay.

9 CHAIR PONTANILLA: Thank you.

10 Members, any more questions for the Department
11 on that one?

12 Okay. The next project is Materials Recovery
13 Facility. Again, on Page 1 on your CIP Report, and Page
14 23 on your Finance Director's Quarterly Report.
15 Department?

16 MR. TAKAMINE: Okay. The Materials Recovery
17 Facility, or MRF that -- for short, it's an FY 08
18 project budget of \$500,000. This is for a preliminary
19 engineer report. The consultant is R.W. Beck. Contract
20 costs of \$464,950. The consultant just recently started
21 work. I believe we have about a six to seven-month
22 timeframe for -- for the final product. They will be
23 evaluating and providing us information on different
24 options that the County will be looking at in terms of
25 providing a MRF facility for future recycling

1 activities. And this could be -- we have been looking
2 at sizing of facilities. They giving us options in how
3 to operate the facility, whether it be County-operated,
4 manpower and equipment or, say, County equipment and
5 contract manpower, or doing a service contract. We
6 anticipate, again, getting this information and a report
7 within the next six to eight months.

8 CHAIR PONTANILLA: Thank you.

9 Members, questions on this one here? I -- I
10 have a fast question. In regards to our Integrated
11 Solid Waste Plan, how does this fit?

12 MS. OKUMA: This fits squarely with the
13 recommendations of the Integrated Solid Waste Plan.

14 As you might recall, just very briefly, the
15 recommendation that came out is to increase recycling
16 from 30 percent to 60 percent, and to look at waste to
17 energy technology. The Material Recovery Facility will
18 be handling recyclable materials and so it fits squarely
19 with one of the major recommendations.

20 CHAIR PONTANILLA: Thank you.

21 Members, any more questions regarding the MRF?
22 If not, that's all the Chair had in regards to Solid
23 Waste. Members, if you do have any questions regarding
24 the Solid Waste area, if you could provide those
25 questions to the Chair, and then we'll ask the

1 Department to provide us with some response.

2 So the Chair would like to thank Mr. Takamine
3 for the update on these projects.

4 And at this time we'll go into wastewater.
5 And here comes Mr. David Taylor, the Division Chief.
6 For the Wastewater side, Chair has down the Lahaina Pump
7 Station Replacement, Page 2 of your CIP Report, and Page
8 27 of your Finance Director's Quarterly Report.
9 Mr. Taylor?

10 MR. TAYLOR: Thank you, Mr. Chair. I -- I
11 think you're referring to Lahaina Pump Station 1
12 Replacement.

13 CHAIR PONTANILLA: Yes.

14 MR. TAYLOR: Lahaina Pump Station 1 is the
15 main pumping station for the Lahaina side of West Maui.
16 It's located by the car rental places on, I think it's
17 called Halawai Street. That project is about 50 percent
18 completed. And when complete, it will, basically, gut
19 the old station which was about 30 years old, new
20 equipment, new structures. And it will allow that
21 station to operate even with the peak winter inflow from
22 rain, without overflowing, which it did once a couple
23 years ago. So we're about 50 percent finished.
24 Probably be finished about the end of the calendar year.
25 And that project should last for the next 30 or more

1 years, and allow us to treat all wastewater coming from
2 the Lahaina side of West Maui, including all the wet
3 weather inundation from rain.

4 CHAIR PONTANILLA: Mr. Taylor, on budget, is
5 it gonna be on budget?

6 MR. TAYLOR: That project is -- is proceeding
7 within budget. We -- at this point in time, it's 50
8 percent finished. We're out of the ground, which is
9 where, usually, the big change orders happen, with
10 unforeseen site conditions. So we're in that vertical
11 and -- and equipment installation, which is usually less
12 prone to changes. And we're on budget. And there are
13 no known major problems or difficulties.

14 CHAIR PONTANILLA: Thank you. Member Johnson?

15 COUNCILMEMBER JOHNSON: Thank you, David. Is
16 that the project that's just between the car rental and
17 Throckmorton's.

18 MR. TAYLOR: That is correct.

19 COUNCILMEMBER JOHNSON: Okay. Because I've
20 kind of watched the progress. With regard to
21 Throckmorton's, where I -- I know there was some kind of
22 issue about the land just on the side of that, I don't
23 know if it was related to this project or not, but is he
24 still able to store his vehicles? Is there any
25 involvement with this project that is creating a

1 problem?

2 MS. OKUMA: We have been in discussion with
3 Mr. Throckmorton, together with the West Maui
4 Association. And they realized that there's no
5 permission -- we -- we don't -- that is land that's,
6 basically, owned by the State. And the control was
7 provided to the County for limited purposes. And in
8 this case the purpose was only for wastewater
9 operations. So we had a chance to discuss that with
10 Mr. Throckmorton and to find out what he was doing on
11 that property.

12 And he has agreed that he will be removing all
13 those materials and, basically, leaving that area. Just
14 from recent -- my recent understanding is that he's been
15 trying to remove all his -- all the vehicles that are
16 currently on that parcel and is looking for another,
17 more appropriate location.

18 COUNCILMEMBER JOHNSON: Yeah. And -- and I --
19 I my only concern about that and -- is it regards to this
20 specific project because is it as a result of this
21 project, or is it just because of other side issues?

22 MS. OKUMA: No. I think there was a much
23 broader issue than --

24 COUNCILMEMBER JOHNSON: Okay.

25 MS. OKUMA: -- than that.

1 COUNCILMEMBER JOHNSON: Okay. I'll -- I'll go
2 into that at some other point, then, Mr. Chair. Thank
3 you.

4 CHAIR PONTANILLA: Thank you. Members, any
5 more questions regarding the particular project? Member
6 Kaho'ohalahala?

7 COUNCILMEMBER KAHO'OHALAHALA: Chair, thank
8 you.

9 Director, we had a presentation here looking
10 on, you know, potential inundation areas within the
11 County of Maui and within the State of Hawaii. And I'm
12 just wondering, in -- in your citing for these locations
13 that are gonna be dealing with wastewater, do you
14 contemplate or do you consider looking at the potential
15 inundation zones? And do you know if this current area
16 is a part of an inundation zone through sea level rise?

17 MR. TAYLOR: The locations for all of the pump
18 stations and the treatment plants were essentially
19 chosen 40 years ago, and they're not really changeable
20 at this point. So if we were building anything new, we
21 would certainly take that into account. What we do is
22 we meet all building codes. And when we are in
23 inundation zones, we design accordingly. Things are
24 raised above flood levels, they're built to withstand
25 flood pressures, we put waterproof equipment.

1 For example, this construction of this pump
2 station, the equipment are submersible pumps. They're
3 actually submerged in the wastewater. Even if it was
4 flooded, a long -- as long as the electrical equipment
5 is higher, it will just keep functioning.

6 COUNCILMEMBER KAHO'OHALAHALA: You can.

7 MR. TAYLOR: That's how it works.

8 COUNCILMEMBER KAHO'OHALAHALA: You can pump
9 ocean as well as wastewater, then.

10 MR. TAYLOR: We couldn't keep up with pumping
11 the ocean, but it wouldn't fail, it wouldn't break.

12 COUNCILMEMBER KAHO'OHALAHALA: Okay.

13 MR. TAYLOR: So we deal with -- we deal with
14 floods -- with floodwaters from a design standpoint
15 rather than a citing standpoint.

16 COUNCILMEMBER KAHO'OHALAHALA: Okay. I -- I
17 just wanna understand that, as we're moving forward,
18 then, that those are considerations that you are already
19 thinking and planning for. Okay.

20 Thank you, Chair.

21 CHAIR PONTANILLA: Thank you.

22 Members, any more questions for Mr. Taylor
23 regarding the Lahaina Pump Station Replacement? Member
24 Johnson?

25 COUNCILMEMBER JOHNSON: Yes. And because this

1 is in close proximity to the Intrawest development, I
2 just wanted to find out, because many of the complaints
3 that I am fielding are from smell, this will not -- you
4 know, this is not gonna have any odor issues, will it
5 help the odor problems? What's the deal? Because I get
6 complaints all the time about the smell in that
7 particular area.

8 MR. TAYLOR: We -- we get those complaints,
9 too. This will help the odor. I don't know if it will
10 help it noticeably. As part of the project, there's
11 always been an odor removal device there. It's the big
12 tower that you see there. That -- that's an odor
13 control system. As part of this upgrade, that is being
14 replaced with a brand new state-of-the-art odor control
15 system which should have much more efficiency and remove
16 more of the odor. Some of the odor that people are
17 complaining about is probably from that -- that pump
18 station.

19 COUNCILMEMBER JOHNSON: Uh-huh.

20 MR. TAYLOR: Much more of the odor is probably
21 from the treatment plant itself. So this will
22 definitely minimize or eliminate most of the odor from
23 the treatment -- from the pumping station -- I'm
24 sorry -- but it won't do anything for the treatment
25 plant itself. So depending on what people are smelling,

1 it may help. It certainly isn't going to hurt. But it
2 may not noticeably get rid of a lot of complaints.
3 It -- it'll certainly minimize them, though.

4 COUNCILMEMBER JOHNSON: Okay. Well, at least
5 it's a step in the right direction. And at some point,
6 do we have any plans for odor control for that other
7 area with other projects that we have here before us?

8 MR. TAYLOR: I -- I think we'll be talking
9 about that a little during the FY 10 CIP presentation.

10 COUNCILMEMBER JOHNSON: Okay. All right.
11 Thank you.

12 CHAIR PONTANILLA: Thank you. Members any
13 more questions regarding this item?

14 Seeing none, Members, before I ask the
15 Department to go into the general update on all of the
16 County's Consent Decree Projects, the Chair had called
17 Public Works to come up. And then, you know, if
18 everything goes well with the Environmental Management
19 group, then we'll take up Public Works at about 10:30.

20 COUNCILMEMBER JOHNSON: Uh-huh.

21 CHAIR PONTANILLA: Unless any objections on
22 that?

23 COUNCILMEMBER VICTORINO: No objections.

24 CHAIR PONTANILLA: Thank you.

25 Last item is a general update on all of the

1 County's Consent Decree Projects. Mr. Taylor?

2 MR. TAYLOR: Thank you, Mr. Chair.

3 The Consent Decree, the Wastewater Consent
4 Decree, did not delineate a certain number of projects.
5 It didn't list six projects or something that we had to
6 complete, like some of the other County Consent Decrees.
7 The County Consent Decree was entered into in 1999,
8 basically because the wastewater system had had a lot of
9 failures and a lot of wastewater spills to the ocean
10 during the 1990s. So the Consent Decree is essentially
11 a best management practices document. It essentially
12 says that, in all aspects of our operation, whether it's
13 pipelines, pump stations, treatment plant operations,
14 capital programs, training, et cetera, we have to
15 investigate all of our systems, constantly evaluate all
16 of our systems, prioritize our needs, and come up with
17 implementation plans, and then implement them. And it's
18 on an ongoing process more than it is a list of
19 projects.

20 So at this point in time, we -- we have been
21 complying with that. We've received no letters of
22 non-compliance. I think the Council receives the -- the
23 quarterly reports for the Consent Decree compliance. We
24 are in compliance with the Consent Decree. So in a way,
25 you could almost say that everything in our budget,

1 operations and CIP, is part of Consent Decree
2 compliance. And at the same time, even if the Consent
3 Decree were lifted tomorrow, we wouldn't really change
4 anything. There -- there's no projects that EPA is
5 saying you must do this project. They're basically
6 saying you have to evaluate it, figure out what your
7 needs are and -- and program that in advance and not
8 just wait for crises to happen. So we're doing that.

9 The Consent Decree has kind of pushed us to be
10 better utility managers. And even if the Consent
11 Decree, like I said, was -- was stopped tomorrow, we
12 would continue with all the programs that have been
13 developed under the Consent Decree.

14 CHAIR PONTANILLA: Thank you. Members,
15 questions in regards to the Consent Decree? Member
16 Johnson?

17 COUNCILMEMBER JOHNSON: Yes. You know, in --
18 in looking at the various funds, because I'm looking at
19 Page 28, where it's the EPA Consent Decree Compliance,
20 we list different sources of funding, general obligation
21 bonds, wastewater. Can you advise, because I know we
22 have this issue with Oahu, or Honolulu more
23 specifically, getting most -- what is it, for the next
24 five years -- most of the funds for -- I guess it's
25 their revolving fund, how are we funding, you know, is

1 it -- are we looking at general obligation bonds? Is
2 any of the stimulus money now available for Public Works
3 projects? Or, you know, this particular . . . so we have . . .
4 I just wanna know what -- what we're facing.

5 MR. TAYLOR: The State Revolving Fund,
6 basically, was created by the Federal Government. The
7 EPA dumps money to each state, and that money keeps
8 getting lent out to the counties and back into the --
9 into the State pot.

10 In the past, up until last year, we -- we got
11 a lot of that money. We were very aggressive about it.
12 Last year, FY 9, we didn't get any because I think all
13 of it went to City and County of Honolulu, as you said.
14 In the FY 10 budget, we have a little bit of it. Seven
15 and-a-half million dollars, we're hoping, comes from the
16 State Revolving Fund, which is coming from the stimulus
17 package.

18 COUNCILMEMBER JOHNSON: Uh-huh.

19 MR. TAYLOR: So we're hoping that that's our
20 share.

21 What's happening is, as the Director explained
22 a -- a little earlier, while Solid Waste was here, the
23 stimulus money is coming largely through preexisting
24 programs. Which, for wastewater and water, is the SRF
25 program. So I believe there's about \$30 million for

1 wastewater programs for the State of Hawaii in the
2 stimulus package. That went to DOH. DOH is setting up
3 a program through the SRF program to divvy that out to
4 the counties. We're hoping to get \$7.5 million of that.
5 That is not for certain yet. But that is what's in the
6 FY 10 Budget, is a -- seven and-a-half million dollars
7 for a certain project, which is what we hope our share
8 of that is.

9 In the future -- Department of Health doesn't
10 really commit years in advance about how that SRF money
11 is going to be allocated. We're hoping to keep getting
12 our share. We do not know whether or not it will all go
13 to one County or split equally or what -- what they'll
14 decide to do with that, because that ends up being a --
15 a State Department of Health decision.

16 COUNCILMEMBER JOHNSON: Yeah. I -- I really
17 appreciate that because I think that I -- especially
18 during this period of time, I don't wanna see us get
19 left out again. Because if we have to go to general
20 obligation bonds or other financial instruments, I -- I
21 don't think we should be stretching our resources. And
22 I don't know what your feeling is, but we have enough
23 debt obligation already. And if we can access these
24 funds --

25 MS. OKUMA: Councilmember --

1 COUNCILMEMBER JOHNSON: --we'd get a much more
2 favorable rate.

3 MS. OKUMA: Councilmember Johnson, we're very
4 aware of that. And that is on our minds as well, too.
5 And our net has been cast very wide to make sure that
6 we've got as much information in this evolving -- very
7 evolving area. It's been a little bit of a challenge.
8 But, again, I'd like to say that we -- we've been in
9 very good communication with the State Department of
10 Health. And I -- I feel that we've gotten as good
11 information from them as they have gotten from EPA, whom
12 they have to deal with. And so, again, we are keeping
13 our eyes and our ears open for any of these other
14 funding sources as far as opportunities for our
15 projects. So we appreciate your comment on that.

16 COUNCILMEMBER JOHNSON: Yeah. Thank you very
17 much. And -- and if, for some unknown reason, you know,
18 all the money is again given to one district or one
19 area, and we don't get the seven and-a-half million,
20 then would your intent be to increase waste, you know,
21 like increase the fees or -- or how would you deal with
22 this? Is it gonna go to GO bond or what?

23 MR. TAYLOR: Member Johnson, because our
24 division is self-funded, that self-funding includes
25 paying debt service on wherever we get our money from.

1 So even when we're using general obligation bonds, the
2 payment of that debt service is coming from our sewer
3 fees; it's not coming from property tax or anything. So
4 the difference to us as a division and a department, GO
5 bonds versus SRF loans, it's a -- it is a few percent
6 difference in -- in interest rate. So, ideally, of
7 course we wanna get the lowest interest rate we can, but
8 whether it's SRF loaned or GO bonds, we pay the debt
9 service out of sewer fees. So if we do have to move
10 from SRF loans to GO bonds, that would mean we'd have to
11 raise sewer fees a little bit, because we'd have a
12 slightly higher interest rate. And -- and how the
13 County deals with its maximum ability to float GO bonds,
14 we take a bigger share, et cetera. But regardless of
15 where we borrow the money, the -- the sewer fees will
16 pay back that debt service. That is how we're
17 structured.

18 COUNCILMEMBER JOHNSON: Okay. I appreciate
19 that. Because I just want people to be aware that there
20 are other things at play that we may not have a choice.
21 Because, as you said, you know, you -- you operate out
22 of your own fund. And, hopefully, with no supplemental
23 assistance from the General Fund. But thank you very
24 much for your explanation.

25 CHAIR PONTANILLA: Thank you, Member Johnson.

1 Member Baisa?

2 COUNCILMEMBER BAISA: Thank you very much,
3 Chair. This is a very enlightening discussion. And I
4 think it makes a point that I think is much
5 misunderstood in the public. Because I talk to a lot of
6 people and they call me and they say, well, you guys
7 better get these economic stimulus monies and you better
8 spend them and you better not lose any of 'em. And I
9 don't think that anyone has understood that, in this
10 case, it's in the nature of a loan. And it does give us
11 an advantage in terms of borrowing power and paying less
12 for money, but, nevertheless, it's a loan that has to be
13 paid back. And I think that's the point that I get out
14 of this. And I wanted to clarify it for people that are
15 listening.

16 Thank you.

17 CHAIR PONTANILLA: Thank you.

18 MS. OKUMA: Maybe just to clarify on that
19 point. The economic stimulus package that's flowing
20 through SRF, there's been some discussion about whether
21 that will be a loan or something that's no -- no
22 interest. I -- I don't know that that has been decided
23 yet, but that -- that is certainly in the midst of this
24 whole thing. So I guess we kinda have to wait and see,
25 too, how this actually comes out from the State to us,

1 you know, in terms of the -- how -- how the program's
2 gonna work.

3 COUNCILMEMBER BAISA: So --

4 MS. OKUMA: I just want you to know there's --
5 there's been kind of that dis -- discussion within the
6 State.

7 COUNCILMEMBER BAISA: So, potentially, it
8 could be in the form of like a grant?

9 MS. OKUMA: Ultimately, it could end up
10 looking like that.

11 COUNCILMEMBER BAISA: I think it's important.
12 Because, you know, the public is -- wants to be sure
13 that the County doesn't miss any opportunities to
14 acquire the, quote-unquote, free money, which really is
15 never free, because, you know, somebody's paying for it.
16 And most of us will be for the rest of our life. But
17 they -- you know, they feel like this is an opportunity
18 for us to do projects and use the monies. And I
19 think -- so people have to understand this is not all as
20 easy as it appears to be. It's very complicated. And
21 at this point, really, there's still many questions.

22 MR. TAYLOR: And, Member Baisa, just to -- to
23 clarify something the Director said. It -- because the
24 money -- even if the money is a loan, even if the
25 stimulus money increases the SRF loan program, that's

1 money that we pay back into that program, then is lent
2 to us again.

3 COUNCILMEMBER BAISA: Uh-huh.

4 MR. TAYLOR: So even if it is a loan, it
5 increases the total amount that keeps revolving.

6 COUNCILMEMBER BAISA: Correct.

7 MR. TAYLOR: That would ensure us a greater
8 chance of getting low interest loans of a greater amount
9 all through the future. So even if we don't get a
10 grant, we get a loan, it means we're likely to keep
11 getting those loans again and again and again. And so,
12 over the long-term, it ends up saving, really, the same
13 amount of money because we'll have low interest rates
14 forever, not just on one project. So, either way, we
15 win, that we'll get cheaper or free money, one way or
16 another.

17 COUNCILMEMBER BAISA: Thank you.

18 CHAIR PONTANILLA: Thank you, Member Baisa.

19 If I recall, CDBG is almost like free money.
20 In fact, it's free money. And it flows directly from
21 the Federal Government directly to CDBG. So.

22 Members, any more questions for the Department
23 at this time?

24 I -- I wanna thank Ms. Okuma as well as
25 Mr. Taylor and Mr. Takamine for coming here this morning

1 in regards to reviewing some of the -- which I call
2 major capital improvement projects for the Department.
3 I -- I know there's lot of more projects that need to be
4 completed by the County of Maui. And -- and I would
5 hope that the Chair for this Committee -- Chair for the
6 Public Works, as well as Environmental Management
7 Committee, you know, meet with the Department in this
8 type of setting to review the quart -- quarterly
9 reports. I -- I think it would give us a much more
10 understanding where we are as far as projects is
11 concerned and their -- you know, the cost to the County
12 of those projects. So, Members -- oh. Member Mateo?

13 VICE-CHAIR MATEO: Chairman, I'm sorry. I
14 thought we were just completing the discussion of the
15 Consent Decree items. But I just wanted to ask the
16 Director just one question before --

17 CHAIR PONTANILLA: Go ahead.

18 VICE-CHAIR MATEO: -- she departs..

19 Madam Director, can you tell us what
20 percentage the Department completed in terms of the CIPs
21 based on your Department's request for '09?

22 MS. OKUMA: I'm gonna ask Mr. Takamine to come
23 back down. The question, let me just make sure I
24 understand, what percentage of outstanding CIP have we
25 completed?

1 VICE-CHAIR MATEO: In this '09 --

2 MS. OKUMA: In -- in '09.

3 VICE-CHAIR MATEO: Well, up until this point.

4 MS. OKUMA: Up until this point.

5 VICE-CHAIR MATEO: End of December '08, yes.

6 Yeah.

7 MS. OKUMA: Okay. Oh. Is it per --
8 percentage, or you want dollar -- dollar value?

9 VICE-CHAIR MATEO: No. Just a percent. How
10 many projects, you know, you completed based on the
11 number of projects that you guys said you guys could
12 complete in a fiscal year.

13 MR. TAYLOR: For -- for the Wastewater
14 Division, I can tell that you every one of the FY 09
15 projects is underway. Some of them are in out for bid,
16 some of them are in design, some have spent very little
17 money because we've encumbered -- or we -- you know,
18 we've started the process. But they're all on track for
19 -- for completion as -- as was originally intended, at
20 least the wastewater projects.

21 VICE-CHAIR MATEO: Thank you. Would you have
22 an idea, then, Mr. Taylor, what the total request for
23 your wastewater budget was, dollar values?

24 MR. TAYLOR: I -- I -- I believe it was -- I
25 think it was around 25 million. 23, 25 million dollars.

1 I don't remember exactly, but around there.

2 VICE-CHAIR MATEO: Thank you very much. And
3 all of the projects moving. Thank you very much.

4 MS. OKUMA: And -- and Tracy Takamine just
5 informs me that, for Solid Waste, all of the projects
6 have been completed except for one, which is the
7 abandoned vehicle facility. And as I recall, I think
8 that that one -- we -- we need to resolve some issues
9 like the site and where that might be and things like
10 that.

11 VICE-CHAIR MATEO: Great.

12 MS. OKUMA: So there's a reason why that one
13 did not go -- has not gone forward.

14 VICE-CHAIR MATEO: And would you recall the
15 total dollar value?

16 MS. OKUMA: The total dollar value of that
17 project was 20 -- 200 -- about 200, 250 thousand, maybe,
18 somewhere around that range.

19 COUNCILMEMBER MATEO: For that project?

20 MS. OKUMA: Yeah.

21 VICE-CHAIR MATEO: Okay.

22 MS. OKUMA: Uh-huh.

23 VICE-CHAIR MATEO: And that's the only one
24 that's not moving yet?

25 MS. OKUMA: Correct.

1 VICE-CHAIR MATEO: Thank you very much. Thank
2 you, Mr. Chairman. Good information.

3 CHAIR PONTANILLA: Thank you, Member Mateo.
4 Member Baisa?

5 COUNCILMEMBER BAISA: Just a quick comment.
6 Chair. I did want to congratulate and thank Mr. Taylor
7 for a project coming in on time and on budget and to
8 thank Director Okuma for all the good work she's doing.
9 We really appreciate that. Thank you.

10 CHAIR PONTANILLA: Thank you. And -- and --
11 and dittos from me to the Department. I -- I know
12 Mr. Taylor is very akamai in regards to the wastewater
13 side. Because of all the EPA and DOH requirements, he
14 needs to be. Thank you, Ms. Okuma, Mr. Takamine, as
15 well, Mr. Taylor.

16 So, Members, we're gonna take a 30-minute
17 recess. And then we'll come back at 10:30 and we'll
18 start with Public Works. So this meeting is now in
19 recess. ...(gavel)...

20 RECESS: 10:00 a.m.

21 RECONVENE: 10:36 a.m.

22 CHAIR PONTANILLA: ...(gavel)... The Budget
23 and Finance Committee meeting is now reconvened.
24 Members, at this time we do have the Public Works
25 Department over here. I'd like to introduce Milton

1 Arakawa, the Director of the Public Works, as well as
2 Cary Yamashita from Engineering.

3 At this time the Chair would like to have
4 Mr. Arakawa give opening comments.

5 MR. ARAKAWA: Mr. Chair, I can start by doing
6 a summary of a number of major projects that our
7 Department has as far as CIP. And I guess we can start
8 with Kaholopoo Bridge Replacement, which, on the Finance
9 Director's Report, is listed on Page 15.

10 CHAIR PONTANILLA: Okay.

11 MR. ARAKAWA: And I guess the first thing,
12 with regard to Kaholopoo Bridge Replacement, there is a
13 900,000 Fiscal Year '07 appropriation which shows up
14 under this project, and that's Index Code 377200. This
15 was actually approved under the general heading of Hana
16 Community District in the Fiscal Year '07 Budget.

17 Papaahawahawa Bridge was also shown under this
18 same heading. And what we did is that, since
19 Papaahawahawa needed the funding for its temporary
20 bridge, the \$900,000 appropriation was used for the
21 Papaahawahawa temporary bridge which will be put into
22 place very shortly.

23 This project, though, itself, the Kaholopoo
24 Bridge Replacement is a backup project on the DOT
25 economic stimulus list. So, basically, if other

1 projects on the list are unable to meet the applicable
2 stimulus guidelines, or the deadlines, we will request
3 that this project be included. If that occurs, the
4 economic stimulus would pick up the entire \$4.2 million
5 cost which represents the Federal and the local match.
6 However, we will need to request \$700,000 for
7 construction management in local funds as part of the
8 County's Fiscal Year '10 Budget request. So that's the
9 brief summary of that.

10 CHAIR PONTANILLA: Okay. Stop there.

11 Members, any questions regarding the first
12 project that Director Arakawa had gone through with us,
13 Kaholopoo Bridge Replacement?

14 Seeing none, Mr. Arakawa, the next one,
15 Molokai Baseyard.

16 MR. ARAKAWA: The next project is Molokai
17 Baseyard. This is shown on Page 5 of the Finance
18 Director's Report. And the design for the Molokai
19 Baseyard is ongoing. We have hired an architect for the
20 project. The architect is Hiyakumoto, Higuchi
21 Architects. And they are utilizing design funds from
22 Fiscal Year '08, which is under the Index Code 383023.
23 So once that design is done, we hope to go out to bid
24 for construction later this year.

25 There is a \$2 million appropriation from

1 Fiscal Year '09, under Index Code 393203. As you know,
2 the construction environment of the past several years
3 has been very -- prices have been very high. So in the
4 six-year CIP, we included a \$2 million appropriation for
5 future years to complete the project. We're hopeful
6 that our dollar goes a little farther this year.
7 Anyway, we'll go out to bid. If the appropriation --
8 the '09 appropriation is insufficient to complete the
9 project, we would -- excuse me -- we would need to
10 request an additional appropriation in the next fiscal
11 year.

12 CHAIR PONTANILLA: Thank you.

13 MR. ARAKAWA: So depends what the bid is. And
14 we're hopeful that we can get a lot more done this year.

15 CHAIR PONTANILLA: Thank you.

16 Mr. Mateo, questions on that?

17 VICE-CHAIR MATEO: Thank you very much,
18 Mr. Chairman. Yes, yes, I do.

19 Mr. Director, so the baseyard -- the actual
20 urgency for that baseyard was because we had to vacate
21 the property because the State had wanted its property
22 back. And in addition to that, the current Special Use
23 Permit expired January of this year. So have we -- or
24 are we reapplying for another Special Use Permit app --
25 doing the application again? And -- and, you know, I

1 don't know what the status of -- of that is gonna be
2 because we haven't reached that point of construction.
3 So I don't know what the timetable is to address those
4 -- those issues. Can you kinda help us?

5 MR. ARAKAWA: We -- we've, basically, just
6 submitted an extension, a request for an extension of
7 the State Special Use Permit. No decision has been made
8 on that yet, but we submitted the request prior to the
9 deadline.

10 VICE-CHAIR MATEO: And the State is okay with
11 us still utilizing their property?

12 MR. ARAKAWA: I know they've, basically,
13 wanted us to move out. But I know of no imminent plans
14 to use that property by the State. So as far as we
15 know, we've submitted the request. And, you know, we'll
16 see what happens, I guess, at this point.

17 VICE-CHAIR MATEO: Okay. So your projected
18 timetable for the actual turning of dirt for this
19 project is what, this calendar year?

20 MR. ARAKAWA: Well, we'd have to encumber the
21 funds before the end of this year. So we encumber it,
22 and, hopefully, can start construction sometime later
23 this year, early next year.

24 VICE-CHAIR MATEO: And that still would be
25 like within an 18-month period for the completion of

1 this project?

2 MR. ARAKAWA: Again, it kinda depends on the
3 bid that we get. We're hopeful that we can do more with
4 that existing pot of money than we have in the recent
5 past. But if it's not enough, then we'll have to come
6 back in the future fiscal year to ask for money to
7 complete the project. So it kinda depends on the -- the
8 bidding environment.

9 VICE-CHAIR MATEO: Okay. Okay. So, one, the
10 County have already applied for Special Use Permit,
11 which is just an extension?

12 MR. ARAKAWA: Yes.

13 COUNCILMEMBER MATEO: And your -- the
14 extension is for how long a period of time?

15 MR. ARAKAWA: I believe we asked for -- I
16 think it's five years. But, anyway, it -- it's more
17 than enough for, you know, the period of time that we
18 need.

19 VICE-CHAIR MATEO: Okay. So, you know, my --
20 my fear -- my fear, Mr. Director -- you know, and I'm
21 just gonna tell you because, you know, you're -- you're
22 used to me just telling you as it is, right? My fear
23 is when you go and ask for five years, this project is
24 gonna be continuously delayed. And I don't think it's
25 appropriate that we continuously delay a project when

1 the State of Hawaii has been telling this County that we
2 want our property back because this is part of their
3 library extension program.

4 So, you know, I'm -- I'm just gonna continue
5 to urge you to please keep this on track so we can
6 complete this once and for all and get this project
7 completed for -- for our community.

8 Thank you, Mr. Chairman.

9 CHAIR PONTANILLA: Thank you.

10 Members, any more questions regarding the
11 Molokai Baseyard? Member Kaho'ohalahala?

12 COUNCILMEMBER KAHO'OHALAHALA: Thank you,
13 Chair.

14 Director, the -- in the first portion of that,
15 the \$400,000, is that the monies that were used for the
16 design part of the project?

17 MR. ARAKAWA: Yes. It was from that Index
18 Code.

19 COUNCILMEMBER KAHO'OHALAHALA: And then the
20 total amount expended out of that?

21 MR. ARAKAWA: We -- I don't have the total
22 expenditure amounts, but the encumbrance, that is the
23 contract for the design, is about 261 million. It's
24 shown as an encumbrance in the Finance Director's
25 Report. So as the architects do work, you know, they'll

1 draw down that -- that money from the contract.

2 COUNCILMEMBER KAHO'OHALAHALA: Okay. So that
3 reflects the -- the difference of that reflects the
4 current amount expended, then?

5 MR. ARAKAWA: Total amount expended, according
6 to the Finance Director's Report, as of end of 2008, was
7 about -- this expenditure in prior years, which is thirty nine
8 five, plus the expenditure in the current year, which is about
9 7,400. So that's generally what's expended -- has been
10 expended so far from the \$261,000 contract.

11 COUNCILMEMBER KAHO'OHALAHALA: Okay. And then
12 the 91,000, then, is amounts -- an amount that has
13 lapsed?

14 MR. ARAKAWA: Yes. That's correct.

15 COUNCILMEMBER KAHO'OHALAHALA: Okay. So all
16 that remains is the 2 -- 261 less the amount expended,
17 then? And you expect that all of that will be used?

18 MR. ARAKAWA: I would say, at this point,
19 probably, yes.

20 COUNCILMEMBER KAHO'OHALAHALA: Okay. Thank
21 you for your clarification.

22 CHAIR PONTANILLA: Thank you,
23 Mr. Kaho'ohalahala.

24 I got a question. You know, you say the --
25 the -- the design is being done at this time. And, you

1 know -- and I know Member Mateo asked another question
2 regarding this Molokai Baseyard. When do you expect the
3 architects to complete their design work for this
4 particular project?

5 MR. ARAKAWA: We're hopeful that they can
6 finish in about three months, around three months,
7 three, four months, in that timeframe. So once they
8 finish the design, you know, then we'd have to gear up
9 for trying to go out to bid, basically.

10 CHAIR PONTANILLA: Okay. Do you give a time
11 limit for any design completion for any of the projects?
12 It's probably not only Department, but the rest of the
13 Department that have design being done by architects
14 and, you know, other engineers.

15 MR. YAMASHITA: Normally, we don't. The
16 reason for it is that there may be some contract
17 amendments or revisions that happen during the actual
18 design process. So we -- we -- we do have like -- we --
19 we set like a target figure. However, it's -- you know,
20 most -- most times we leave it open in case we do have
21 the need to go back to the contractor or -- or the
22 consultant for further design work.

23 CHAIR PONTANILLA: Yeah. The fear that I
24 have -- and, again, you know, not -- not only the
25 Department, is that sometimes we'll leave projects open

1 so long that, God, money just keep on going. You know,
2 we roll out money and -- and there's like no
3 accountability after awhile. So that -- that's a issue
4 that I have whenever we do any of the CIP projects,
5 yeah, in regards to accountability, you know, when to
6 expect the monies to be spent, how much will be spent,
7 when to start and when to complete. And, you know, it's
8 not only Public Works, but throughout the County of
9 Maui, the various departments, you know, have similar --
10 well, I have similar issues with them.

11 So, Members, any more questions regarding
12 Molokai -- Molokai Baseyard?

13 If not, Mr. Arakawa, Keawe Street Extension.

14 MR. ARAKAWA: Okay. Mr. Chair, the Keawe
15 Street Extension is listed on Page 19 of the Finance
16 Director's Report. And this project is the link to the
17 State's Lahaina Bypass Phase 1A Project which, as you
18 know, grading work has recently started.

19 The State DOT ran into some archeological
20 issues with the original proposed alignment. And the
21 alignment for their project, the bypass, was changed to
22 avoid the know -- the known archeological site. So in
23 the process of changing their alignment, the alignment
24 for the Keawe Street Extension also was altered.

25 Just some history about this project. Back in

1 Fiscal Year '05, the County accepted \$1.5 million from
2 Starwood Vacation Ownership. This was earmarked as the
3 local match for the Keawe Street Extension Project which
4 would extend and connect up to the Lahaina Bypass Phase
5 1A Project. And this earmark is shown in the Finance
6 Director's Report as Index Code 357100.

7 What has happened recently is that the land
8 needed for the Keawe Street Extension is ceded lands.
9 And State DOT's basically noting to us that ceded lands
10 cannot be conveyed to a third-party such as the County.
11 Thus, DOT will be requesting that the \$1.5 million
12 earmark be transferred to them, and then they will then
13 be responsible for the construction of the Keawe Street
14 Extension.

15 We are working on an intergovernmental
16 agreement. And this is in the process of being drafted.
17 Our Corporation Counsel's Office is reviewing the draft.
18 And this still needs to be reviewed by the State
19 Attorney General's Office. And, of course, as in any
20 intergovernmental agreement, this has to come before the
21 Council for your approval.

22 In the longer run, until the -- the issue of
23 the ceded lands is settled, DOT intends -- at the time
24 that it's settled, DOT intends to approach the County
25 about accepting dedication of the Keawe Street Extension.

1 Until the ceded lands issue is settled, the State will
2 retain jurisdiction over the Keawe Street Extension. So
3 that's the latest status of this project.

4 CHAIR PONTANILLA: Thank you. Member Johnson?

5 COUNCILMEMBER JOHNSON: Yes, Milton. And what
6 is the timeline we're looking at?

7 MR. ARAKAWA: As far as the intergovernmental
8 agreement is con . . .

9 COUNCILMEMBER JOHNSON: Yes. Just with
10 everything being able to move, and, you know and is
11 Keawe gonna come later, sooner?

12 MR. ARAKAWA: Well, the State is still in the
13 process of doing, I believe, a supplemental
14 environmental impact statement because they have
15 basically revised the alignment.

16 COUNCILMEMBER JOHNSON: Uh-huh.

17 MR. ARAKAWA: That is still not finalized yet.
18 So they've started the grading, the preliminary grading
19 work near the Lahainaluna Road area, but that
20 supplemental EIS still needs to be finalized. In the
21 meantime, we're working on this -- on this
22 intergovernmental agreement. And as I said, the -- our
23 Corp. Counsel, our County attorneys are looking at it.
24 And this still needs to be reviewed by the Attorney
25 General's Office. So we're hopeful that we can bring

1 something before this Council, you know, after the
2 budget process.

3 COUNCILMEMBER JOHNSON: So we're looking maybe
4 at June?

5 MR. ARAKAWA: For the intergovernmental
6 agreement to be here. And once that's approved and the
7 terms and conditions are all -- you know, everybody is
8 happy with that, then the State can then complete their
9 -- their EIS and then start the construction.

10 COUNCILMEMBER JOHNSON: Okay. And then we
11 would transfer the monies that we received from the --
12 is it Starwood?

13 MR. ARAKAWA: Starwood, yes.

14 COUNCILMEMBER JOHNSON: Starwood. We would
15 then transfer that money to them, and they would, in
16 essence, do the project?

17 MR. ARAKAWA: Yes. That should all be covered
18 as part of the intergovernmental agreement as far as who
19 is responsible for what.

20 COUNCILMEMBER JOHNSON: Okay. But as far as
21 Keawe Street and who constructs or -- you know, the -- I
22 guess the ownership, what would that fall under as -- as
23 far as the maintenance? Eventually, when that roadway
24 is completed, is that gonna be a County road or will
25 that be under the State's purview?

1 MR. ARAKAWA: It -- it will continue to be
2 under the State until the ceded lands issue is settled.
3 Because the State is telling us that they are not able
4 to convey those lands to the County.

5 COUNCILMEMBER JOHNSON: Okay. And that's why
6 we can't join those two on the Keawe Street area? All
7 right. Thank you.

8 CHAIR PONTANILLA: Thank you, Member Johnson.
9 Members, any more questions regarding that
10 item? If not, Mr. Arakawa . . .

11 COUNCILMEMBER KAHO'OHALAHALA: Chair?

12 CHAIR PONTANILLA: Mr. Kaho'ohalahala.

13 COUNCILMEMBER KAHO'OHALAHALA: Just a
14 question. Director, you said that aside from the ceded
15 lands issue that's -- that's before us in this
16 particular road extension, are there other burial issues
17 that you talked about?

18 MR. ARAKAWA: The -- well, for Keawe Street,
19 there are no known burial issues. The State, when they
20 were doing their archeological work on the bypass, they
21 found an archeological terrace which was right in the
22 path of their proposed original alignment. So their
23 response to that was, basically, to try to avoid the --
24 the known archeological site. So that's why they needed
25 to do a supplemental EIS, because of the changed

1 alignment.

2 COUNCILMEMBER KAHO'OHALAHALA: Okay. And
3 that's the only -- only cultural kind of -- of issue
4 before us?

5 MR. ARAKAWA: That we are aware of right now,
6 yes.

7 COUNCILMEMBER KAHO'OHALAHALA: Okay. Thank
8 you, Chair.

9 CHAIR PONTANILLA: Thank you. Members, any
10 more questions regarding this project?

11 If not, Mr. Arakawa, Market Street
12 Improvements.

13 MR. ARAKAWA: The Market Street Improvements
14 Project is listed on Page 17 of the Finance Director's
15 Report. And this project is just about done. If you've
16 driven down there, it looks really nice. This is the
17 phase from Wells Street to Kahawai Street near Iao
18 Stream.

19 The major remaining work is that the tree
20 grates didn't meet the specifications and they need to
21 be replaced. And they're on order. After that, the
22 landscaping will be installed. And that's pretty much
23 the completion of the project.

24 All told, the construction costs have totaled
25 approximately \$7.8 million. And this is comprised of

1 \$6.3 million in Federal funds and \$1.5 in County funds.

2 I would also note that Market Street Phase 2
3 has been included in the economic stimulus package. And
4 this is the segment of Market Street between Kahawai to
5 Mokuhau Road, the -- the Happy Valley section. And this
6 is an approximately \$6 million project.

7 CHAIR PONTANILLA: Thank you. Members, any
8 questions to Market Street improvements?

9 Seeing none, the next item, Mr. Arakawa, is
10 the Countywide Streetlight Retrofit. And -- and I think
11 this is the project that we say we're gonna do it in
12 phases, you know, going into low-pressure sodium
13 throughout Maui County.

14 MR. ARAKAWA: Yes. Mr. Chair, this is on Page
15 20 of the Finance Director's Report. And \$250,000 has
16 been appropriated in both Fiscal Year '08 and Fiscal
17 Year '09 in order to install shields on the existing
18 cobra head street lights. These are the lights where
19 you can see the lens basically extend downward beyond
20 the fixture. And the intent of installing -- installing
21 the shields is to comply with the outdoor lighting
22 ordinance which requires, basically, a downward
23 directional lighting. And, basically, we -- we're
24 working with MECo in having the shields installed in
25 both of these fiscal years. So it's in progress.

1 CHAIR PONTANILLA: Thank you. Members, any
2 questions to this item?

3 If not, the general update on drainage
4 projects -- and -- and, Members, forgive me, I chose
5 projects in Kahului, but, you know, you may have an
6 opportunity to ask Mr. Arakawa about maybe Kihei and
7 Lahaina. I know we do have drainage problems.

8 Mr. Arakawa?

9 MR. ARAKAWA: I guess the -- the two that come
10 to mind are listed on Page 1 of the Finance Director's
11 Report. These are the Aleo Place drainage improvements
12 and the Naholo Circle Drainage Project. And just make a
13 general comment on both of those.

14 Aleo Place, this is a cul-de-sac. And when
15 there are major rains, the bottom of the cul-de-sac is
16 like a -- a low point, so water collects there and
17 there's nowhere to go, so there's some flooding issues.
18 So what we did was we constructed a force main, which
19 is, basically, just an empty underground pipe, so that
20 when the flooding occurs in the cul-de-sac, we would
21 need to pump the water out through the force main to
22 other nearby areas which are better able to handle the
23 excess water. This \$350,000 project is already
24 completed. This was with actual Fiscal Year '05 monies.

25 And at Naholo Circle, we're doing the same

1 type of thing where a force main is being constructed.
2 We will then have to pump the water out through the
3 force main from the low-lying areas of Naholo Circle.

4 And we have two different contracts which --
5 two different phases which total \$357,000 of
6 construction funding earmarked for this project. And
7 the main reason why we have these force mains is that
8 the overall drainage system in Kahului is basically
9 inadequate. And there are very limited places to,
10 basically, take the water, where we can kind of minimize
11 -- we can minimize the effect of -- of flooding. But
12 these are like interim solutions to a larger drainage
13 issue.

14 CHAIR PONTANILLA: Thank you. As far as
15 Holua Drive and Palama Drive, I know we hit --
16 hit the snag on the Palama Drive one, but Holua
17 Drive, what -- what -- what is the means to correct that
18 problem? I -- I know we -- we -- we put in the pumps
19 whenever we do have heavy rains prior to that street
20 being flooded.

21 MR. YAMASHITA: Chair Pontanilla, we're gonna
22 -- we're looking into designing a force main similar to
23 the -- the other drainage problem areas.

24 CHAIR PONTANILLA: Thank you. Members, any
25 questions? You wanna cover part of your district in

1 regards to, you know, what's happening in regards to
2 drainage, how the Department will handle those drainage.
3 I -- I know the Department have master plans for Central
4 Maui, Kihei, South Maui, as well as Lahaina, also on
5 Molokai. I -- I don't know about Lanai. So, Members,
6 questions? Member Johnson? And we'll just go right
7 down the row.

8 COUNCILMEMBER JOHNSON: Yeah. My -- my
9 question has to do with Lahaina Town drainage
10 improvements. I'm looking at Page 1 of the Director's
11 Report. And it, basically, shows original
12 appropriation, 500,000, allotted to date, 500,000. So
13 those monies are still all alive, and are we moving on
14 any of that? Because it's gonna lapse 12-31-09.

15 MR. ARAKAWA: Yes. This \$500,000
16 appropriation is for planning and design of a drain line
17 to implement a portion of that Lahaina Town drainage
18 master plan. And the drain line we have in mind is near
19 the Prison Street area where --

20 COUNCILMEMBER JOHNSON: Uh-huh.

21 MR. ARAKAWA: -- it's fairly a low-lying area,
22 where there is a -- a -- a flooding issue.

23 COUNCILMEMBER JOHNSON: And will that move
24 forward? Are you gonna award a contract or have -- has
25 that not been bid out yet?

1 MR. YAMASHITA: We're -- we're currently in
2 negotiations with the consultant. And we should have
3 the contract executed within a few weeks.

4 COUNCILMEMBER JOHNSON: Okay.

5 MR. YAMASHITA: And they'll have the scope of
6 the work. Because it's pretty much laid out in the
7 drain -- Lahaina Town Drainage Master Plan.

8 COUNCILMEMBER JOHNSON: Yeah. Because I know
9 we did that on a preliminary basis, and that was done
10 quite a few years ago, but we have never implemented it.

11 MR. YAMASHITA: No.

12 COUNCILMEMBER JOHNSON: Okay. And as far as
13 any stimulus monies or anything that this would be
14 eligible for if we had -- because \$500,000 is coming
15 from what source right now? I guess I'd have to look at
16 my other . . .

17 MR. YAMASHITA: Highways.

18 COUNCILMEMBER JOHNSON: Highways, it's coming
19 from highway money. So because we probably are running
20 a little bit short on highway, is there any chance that
21 -- because this is designed, and, I guess, the actual
22 project is, you know, ready to go, would this -- would
23 this in any way be eligible for any of the funds that we
24 have?

25 MR. ARAKAWA: Councilmember Johnson, a -- a

1 lot of the details on the economic stimulus are -- it is
2 slowly becoming known. And we wanna take advantage,
3 take -- full advantage of the opportunities that are
4 available. Right now, I -- I don't know of any
5 particular avenue that we can try to take advantage of
6 as far as this particular project. But we are looking
7 to -- to maximize the County's opportunities as far as
8 use of economic stimulus.

9 COUNCILMEMBER JOHNSON: Okay. So -- so you're
10 not ruling out the possibility that this money could
11 qualify, you know, maybe sit -- sit in our coffers or at
12 least be used for matching to perhaps increase the scope
13 of the project?

14 MR. ARAKAWA: Well, I -- I don't say we'll --
15 we have precluded that possibility.

16 COUNCILMEMBER JOHNSON: Okay.

17 MR. ARAKAWA: We'll look into that, for sure.

18 COUNCILMEMBER JOHNSON: Okay. And as far as
19 the Lahaina Watershed Flood Control Project, that's --
20 that's moving forward now, is that correct?

21 MR. ARAKAWA: I can give you an update on
22 that.

23 COUNCILMEMBER JOHNSON: I'd appreciate it.

24 MR. ARAKAWA: Okay. The Council Committee of
25 the Whole, as you know, recently recommended approval to

1 authorize condemnation of property between the first
2 outlet at Kauaula Stream and the second outlet at
3 Waianukole. However, the -- there was \$2.2 million
4 in Fiscal Year '08 appropriations which were intended
5 for land acquisition. And this money lapsed at the
6 close of calendar year 2008. So we will need to seek a
7 re -- re-appropriation of these funds in order to
8 proceed with the condemnation proceedings. We --
9 there's also an existing -- sort of a long history, but
10 I can -- I can go over it, if you want.

11 COUNCILMEMBER JOHNSON: No. It's okay. I
12 just -- you know, because I'm just looking at the
13 allocation, and because of the recent action that we
14 took, I -- I thought that, you know, it was able to move
15 forward because we were advised in Committee that the
16 only impediment to this actually, you know, getting done
17 was that action that we just took. And now you're
18 saying no.

19 MR. ARAKAWA: No. The step that the Committee
20 took was a major step. But I -- I mentioned in the
21 Committee that that the \$2.2 million in '08 monies
22 actually lapsed. So we -- we need to get a
23 re-appropriation of those monies.

24 COUNCILMEMBER JOHNSON: But the NRCS money is
25 what's enabling their portion of the project to go

1 forward? Are they doing preliminary work?

2 MR. ARAKAWA: May -- maybe I should go over
3 the -- all of the various pieces of -- and parts that
4 are kinda being juggled right now. There is an existing
5 construction contract which is awaiting notice to
6 proceed after the land is purchased. This construction
7 contract is held by Kiewit Corporation. And this
8 utilizes -- if you look at the -- your -- your Finance
9 Director's Report, the construction contract held by
10 Kiewit utilizes the one million dollar appropriation
11 from Fiscal Year '05.

12 COUNCILMEMBER JOHNSON: Uh-huh.

13 MR. ARAKAWA: And this is Index Code 351200.

14 COUNCILMEMBER JOHNSON: Uh-huh.

15 MR. ARAKAWA: And this local money is combined
16 with NRCS money of \$3,176,788, which is shown as Index
17 Code 362500. And so this work is intended to build a
18 culvert under Hono -- Honoapiilani Highway, at
19 Waiianukole and a portion of the drainage channel.
20 And the reason why we couldn't proceed with this
21 contract is because we needed to obtain the land for the
22 drainage channel first. So that's on hold for the
23 present.

24 We also have an existing -- had an existing
25 approximately \$1.9 million contract with Maui Master Builders

1 with a Fiscal Year '07 appropriation. And these are
2 shown in Index Codes 371201 and 371204. This contract
3 was funded entirely with County funds. And this was to
4 build the culvert under Hokiokio Road. What we did was
5 we -- we canceled this contract. And the reason we did
6 that was that we actually wanna combine these monies --
7 we, basically, wanna ask for a re-appropriation of the
8 1.9 million, but we wanna combine that with an approval
9 to utilize the 2.2 million appropriation from Fiscal
10 Year '09, which is Index Code 391201.

11 COUNCILMEMBER JOHNSON: Uh-huh.

12 MR.. ARAKAWA: And I think as part of the
13 previous Committee meeting, we mentioned that there's
14 also an NRCS grant, additional grant money, of \$5.6
15 million. So this is a -- a Federal earmark for this
16 particular project. So we want to be able to combine
17 all these monies, the 1.9 million, the 2.2 million and
18 the 5.6 million. So this would give us a combined total
19 of 9.7 million, or thereabouts, which could then be
20 utilized to issue a new construc -- new construction
21 contract which would then extend the construction from
22 where the Kiewit contract ends and, hopefully, all the
23 way to Kauaula Stream. So if we can do that, we would
24 then be able to have all the construction work completed
25 between the first and second outlet in two phases.

1 COUNCILMEMBER JOHNSON: Uh-huh.

2 MR. ARAKAWA: Instead of having more phases
3 and taking longer periods of time. So that's kind of
4 the general overview.

5 COUNCILMEMBER JOHNSON: Okay. And -- and, you
6 know, just so that I'm clear, you -- in order to do the
7 condemnation, you must have the money in hand, is that
8 correct?

9 MR. ARAKAWA: Yes.

10 COUNCILMEMBER JOHNSON: Okay. So will you be
11 coming forward with a budget amendment, or are you gonna
12 wait until this budget cycle is completed?

13 MR. ARAKAWA: Well, we -- we could come
14 forward right now, if -- if the Council would allow
15 that. But I guess -- I guess I leave it up to you.
16 This is the situation that we were in right now. We --
17 we'd like to come forward now. But I know the Council's
18 time is valuable with upcoming budget deliberations on
19 it, as it is. We could come forward in May, but it'll
20 just result in a -- a slight delay, basically.

21 COUNCILMEMBER JOHNSON: Yeah. And -- and
22 because this is so important, Mr. Chair, I would ask if
23 the Administration -- 'cause we can't introduce budget
24 amendments. But if you can -- I, personally, because
25 this is the Lahaina area, and, you know, the community

1 has been assured that this is now gonna move,
2 everybody's thinking it's gonna move, and then, when it
3 doesn't move, they kind of lose a little bit of
4 confidence in our actions. So I would encourage the
5 administration to at least approach both our Chair and
6 the Budget Chair, because this -- time is of the
7 essence. And a couple-month delay -- particularly
8 because a lot of other projects are gonna hit the books
9 once the stimulus takes place, I'd rather get a jump on
10 this and get moving. So, anyway, that's just my
11 personal thought, Mr. Chair.

12 CHAIR PONTANILLA: Thank you, Member Johnson.
13 You know, I'll be working with Member -- Council
14 Chairman Mateo, as well as the budget directed. This
15 project is important for the Public Works Department to
16 go ahead and start. We'll -- we'll take care of that.

17 Members, any more questions? Member Baisa?

18 COUNCILMEMBER BAISA: Chair, may I ask a
19 question about road resurfacing --

20 CHAIR PONTANILLA: Um . . . that's the next item.

21 COUNCILMEMBER BAISA: -- or you'd rather wait?

22 Okay, I'll wait. I'll wait.

23 CHAIR PONTANILLA: Okay. Sol, you got any
24 questions regarding Lanai?

25 COUNCILMEMBER KAHO'OHALAHALA: Lanai drainage,

1 yeah. Can you describe what the -- the Fraser Avenue
2 Project Drainage is? It's under your Countywide on Page
3 2 of the Director's --

4 MR. YAMASHITA: Yeah. The -- the project is
5 to install a culvert where an open ditch exists right
6 now. And we're gonna do the design in-house. And hopefully
7 -- well, we should get the design done in -- within the
8 month, because the fieldwork has been completed. But
9 it's -- it's, basically, to -- to cover an existing open
10 ditch.

11 COUNCILMEMBER KAHO'OHALAHALA: And where is
12 the open ditch? You're talking at the end of Kaumalapau
13 and Fraser?

14 MR. YAMASHITA: It's right by the school.

15 COUNCILMEMBER KAHO'OHALAHALA: That goes right
16 through the school?

17 MR. YAMASHITA: Yes.

18 COUNCILMEMBER KAHO'OHALAHALA: Between the
19 parking lot and the cafeteria?

20 MR. YAMASHITA: Yeah. And . . .

21 COUNCILMEMBER KAHO'OHALAHALA: So your plan is
22 to -- to do what specifically, just the culvert on the
23 street side or . . .

24 MR. YAMASHITA: No. It's within the -- the
25 right-of-way. Well, within the easement. And, you

1 know, there is the open ditch that's there. And it's
2 pretty dangerous. So that is why we're gonna install
3 the culvert and -- and cover up the ditch.

4 COUNCILMEMBER KAHO'OHALAHALA: The entire
5 length?

6 MR. YAMASHITA: Yes.

7 COUNCILMEMBER KAHO'OHALAHALA: So from Fraser
8 Avenue all the way down?

9 MR. YAMASHITA: Oh, no. Only between the --
10 the school and the parking lot.

11 COUNCILMEMBER KAHO'OHALAHALA: Yeah. That's
12 what I'm saying.

13 MR. YAMASHITA: Yeah.

14 COUNCILMEMBER KAHO'OHALAHALA: Fraser Avenue,
15 all the way down to the gymnasium?

16 MR. YAMASHITA: I'm not sure. I haven't been
17 out there, so I don't know exact location. But
18 Councilmember -- the previous Councilmember Hokama had
19 requested for the Department to look into this. And
20 from what I recall, it -- it wasn't that long a -- a
21 section of ditch that we're supposed to have looked
22 into. But -- but we can clarify the limits and -- and
23 send you a response to that.

24 COUNCILMEMBER KAHO'OHALAHALA: Okay. Because
25 what you're describing -- if you're saying the school

1 and what's across from the parking lot, the parking lot
2 is the length of the school boundary. So I'm asking,
3 are you covering that entire length?

4 MR. YAMASHITA: Yes. That's the intention.

5 COUNCILMEMBER KAHO'OHALAHALA: With \$100,000?

6 MR. YAMASHITA: We're not sure. But that was
7 all that was appropriated for -- for this . . .

8 COUNCILMEMBER KAHO'OHALAHALA: If you can do
9 that, you can do much more with all the money we're
10 giving you.

11 MR. YAMASHITA: Yeah. We -- as I said, we
12 just did the -- the fieldwork, so we don't know even the
13 lengths involved and the size of the pipe. So . . .

14 COUNCILMEMBER KAHO'OHALAHALA: Okay.

15 MR. YAMASHITA: That was just a . . .

16 COUNCILMEMBER KAHO'OHALAHALA: No. I -- I'm
17 just -- I just wanna clarify. Because you have only
18 100,000 here.

19 MR. YAMASHITA: Uh-huh.

20 COUNCILMEMBER KAHO'OHALAHALA: And from what
21 you're describing is major work covering an entire
22 school distance, you know. So you need to clarify what
23 -- what that is.

24 MR. YAMASHITA: Yeah. And -- yeah. If any
25 additional funding is required for -- for the

1 construction, we'll -- we'll come back and request for
2 it.

3 COUNCILMEMBER KAHO'OHALAHALA: Okay. Are
4 there any other drainage issues aside from this right
5 now that -- that you know of? Any other projects for
6 drainage?

7 MR. YAMASHITA: In Lanai?

8 COUNCILMEMBER KAHO'OHALAHALA: Yes..

9 MR. YAMASHITA: No. No. There was a Lanai
10 Drainage Master Plan completed. However, we -- we
11 haven't actually started our design or even preliminary
12 planning work for -- for that.

13 COUNCILMEMBER KAHO'OHALAHALA: That master
14 plan was completed when?

15 MR. YAMASHITA: I say a couple years ago. And
16 was -- yeah, I would say at least two years ago.

17 COUNCILMEMBER KAHO'OHALAHALA: At least two
18 years ago. Okay. I know that I -- I just came back
19 from Lanai yesterday, last night. But there are
20 drainage issues that were raised in my meeting. And I
21 actually went to -- to those places that were described
22 as -- as drainage issues, and I took some photographs.
23 And -- but in light of the -- the drainage -- the plan
24 itself that was completed, then, I would like to --
25 to -- to see how these areas are -- are described if --

1 if, at all, within the plan. And if not, then -- then
2 we need to somehow address some of them.

3 So, hopefully, Chair, if that's gonna be
4 something that can be addressed during this budget
5 cycle, it would be . . .

6 CHAIR PONTANILLA: Yeah. If we could, you
7 know, this budget cycle.

8 COUNCILMEMBER KAHO'OHALAHALA: Yeah. That
9 would be my interest in doing so. Okay. Thank you.

10 CHAIR PONTANILLA: Okay. Member Mateo?

11 VICE-CHAIR MATEO: Chairman, thank you.

12 For the Department, I just have two -- two
13 brief questions. One of them is on Page 2 regarding
14 Kaunakakai Drainage Improvement System and the
15 Kaunakakai Stream Restoration. Both projects, since
16 2004, 2006 and 2007, funds allocated and encumbered.
17 Both projects are not listed on the implementation
18 report. So what is the status of these two particular
19 projects with over \$2 million plus still in encumbrance?

20 CHAIR PONTANILLA: Department?

21 MR. ARAKAWA: Councilmember Mateo, as far as
22 the Kaunakakai Drainage Improvement System, this is part
23 of the Subsystem B drain lines that actually have been
24 installed for a while because -- you probably recall,
25 near the wharf area, the original alignment that was

1 planned, we ran into -- looks like an oil -- some kind
2 of oil or gasoline spill that wasn't really caused by
3 us, but it, basically, required a redesign of the line
4 to -- at least to avoid the -- the area of the spill.
5 So that has been redesigned.

6 And the contractor is still Goodfellow,
7 Goodfellow Brothers. And so we're looking to have them
8 start, hopefully, soon -- restart the project,
9 hopefully, soon.

10 On the stream restoration issue, this is
11 actually a -- a -- I believe this is a local match,
12 right, for the -- we were gonna work on stream
13 restoration just mauka of the road. And we needed some
14 matching funds from the Corps, Corps of Engineers. We
15 -- this is a joint project with the Corps. So although
16 we have these monies that have been appropriated, the
17 Corps is trying to get some appropriations from there to
18 bring up their match so we can start.

19 VICE-CHAIR MATEO: Okay. So for the stream,
20 though, are you, you know, still pursuing with the
21 Corps? Because this is like, in a sense, 2004, that
22 monies have been encumbered. And . . .

23 MR. ARAKAWA: Yes, we are -- we are still
24 working with the Corps. And the Corps is -- they've
25 been really good partners on a number of projects. Just

1 that in particular one, they -- they don't have the
2 matching funds.

3 VICE-CHAIR MATEO: Okay. And I'm gonna go
4 back to the drainage because Goodfellows is ready to
5 start up this project based on their redesign or
6 reconfiguration of that project that -- pipeline?

7 MR. ARAKAWA: That is our understanding.

8 VICE-CHAIR MATEO: Okay. And then, finally,
9 then, Mr. Arakawa, there's one more that I just -- I
10 just -- Page 5, Molokai Project, 1994, there's an
11 encumbrance of 200 -- almost \$290,000 encumbered. Can
12 you tell me what this is? Or can I give you my deposit
13 slip?

14 MR. ARAKAWA: I don't know. That's a good
15 question. We'll have to get back to you on that. I --
16 I -- I don't know what that is.

17 VICE-CHAIR MATEO: Okay. Okay. Thank you,
18 Chairman. Thank you, Mr. Director.

19 CHAIR PONTANILLA: Thank you. Member
20 Victorino, you got any questions?

21 COUNCILMEMBER VICTORINO: Thank you, Chair.

22 I'll go to the Iao -- page -- Page 1, the Iao
23 Stream improvements. Two concerns.

24 First of all, aren't we supposed to be working
25 in concert with the Corps of Engineers as far as

1 re-embankment and the -- kinda like some improvements
2 for Iao, for the flood control?

3 MR. ARAKAWA: Yes. I -- I can -- I can go
4 over that project as well. This -- this project, the
5 Iao Stream Improvements Project listed in the Finance
6 Director's Report is intended to construct improvements
7 to Iao Stream between Market Street and Waiehu Beach
8 Road.

9 COUNCILMEMBER VICTORINO: Uh-huh.

10 MR. ARAKAWA: And some of the stream
11 embankment on the developed side, the Waikapu side of
12 the stream, are showing signs of deterioration and need
13 improvement, basically. So there've been appropriations
14 in Fiscal Year '07, and '08. We utilized this money,
15 basically, for survey purposes.

16 But you notice a -- a number of the monies
17 have actually lapsed. And the reason why is that the
18 remaining monies were actually intended for land
19 acquisition. And the -- we're working with the Corps of
20 Engineers on the environmental assessment and the final
21 design for the Iao Stream. And, basically, we cannot
22 acquire the land until the -- the final design is
23 completed.

24 The Corps of Engineers has completed the --
25 the draft environmental assessment. The public comment

1 period for the draft EA should start very shortly. And
2 we'll have a public informational meeting on the
3 project.

4 COUNCILMEMBER VICTORINO: Uh-huh.

5 MR. ARAKAWA: And that's scheduled for April
6 16. So it's coming up very soon. Money-wise, the
7 construction for the improvements are -- the
8 construction cost is estimated at approximately \$40
9 million. It's a big, big ticket item. The County's
10 share may be around \$10 million. However, in our
11 discussions with the Corps, they have agreed to request
12 that Congress authorize additional money to fund 100
13 percent of the total construction cost. So that's a
14 request at this point where, if the Corps is not
15 successful, we may need to come back before this Council
16 to request that local match, the 10 million local match,
17 in -- not this budget, but Fiscal Year '11 budget.

18 COUNCILMEMBER VICTORINO: Okay. Thank you for
19 that update and that explanation, because that has been
20 a -- for the Wailuku community, has been a sore spot for
21 a long time, yeah. And there's still many environmental
22 issues and others that continuously come back to -- to
23 bite us. And so, you know, I'm glad to hear that we're
24 moving along.

25 Lastly, on the Aleo Place Drainage

1 Improvements, I see that we should have been completed
2 with that project already because it's from a 2005 and
3 we still have monies encumbered. I understand that
4 still, when there is, you know, big rains, there's still
5 some problems in that area. So can you kinda explain to
6 me how that one has ended? Because I still get concerns
7 from neighbors in the area.

8 MR. ARAKAWA: Well, as far as the Aleo Place
9 Drainage Improvements, it -- it's -- you know, these
10 improvements, the force mains that were put in --

11 COUNCILMEMBER VICTORINO: Right.

12 MR. ARAKAWA: -- is, basically, an interim
13 drainage measure to kinda help with the immediate
14 flooding. And -- and as I mentioned, it's because the
15 overall drainage system for Kahului is -- it's not
16 adequate, basically. So we, basically, have to find
17 another place within Kahului that is just better able to
18 handle the water. Instead of ponding and flooding at
19 the bottom of Aleo Place, we have to find somewhere else
20 to, basically, pump that water.

21 So the water -- the way these things work, you
22 know, we have to, basically, physically go there with
23 our pumper truck. And when it starts -- the water level
24 starts flood -- rising to the -- due to the flooding, we
25 have to, basically, pump it out somewhere else. So

1 that's how these things work.

2 We would have preferred that -- to put in a
3 drain line so it just works by gravity. But that,
4 apparently, wasn't -- wasn't the easiest way to proceed.
5 This was the -- the -- the most expedient way to
6 proceed, I guess, for an interim solution.

7 COUNCILMEMBER VICTORINO: Okay. I'm -- I'm --
8 I have family there that still, you know, just like
9 Naholo. You know, it's -- every time you get big rain,
10 you know, it's like, okay, here we go again. And so --
11 and these are old neighborhoods, so that makes it very
12 much more difficult, yeah.

13 But thank you for the update. I do appreciate
14 it. Thank you, Mr. . . .

15 CHAIR PONTANILLA: Thank you, Mr. Victorino.
16 Yeah, I -- I guess the Department failed to mention
17 about the project that we -- or they had planned in
18 regards to diverting water to Aleo Place. And I think
19 we had some problems in regarding the cultural -- not
20 cultural -- burial sites, the possibility of burial
21 sites in 6th Increment. So this is a -- a project that
22 they did to -- temporarily to relieve the Aleo Place.

23 Member Baisa, you have questions?

24 COUNCILMEMBER BAISA: Not in this area. I'm
25 waiting for the resurfacing.

1 CHAIR PONTANILLA: Okay. (Inaudible.)

2 COUNCILMEMBER BAISA: I did have a comment,
3 though.

4 CHAIR PONTANILLA: Okay.

5 COUNCILMEMBER BAISA: This has nothing to do
6 with my area, but I did wanna ask a question.

7 CHAIR PONTANILLA: Go ahead.

8 COUNCILMEMBER BAISA: You know, I've been --
9 I've lived here all my life. And I'm very familiar with
10 your area, Chair, because I spent a lot of time here,
11 many years working in Kahului. And the other day, I
12 got caught in the rain, in a downpour, a sudden downpour
13 that came down. And I had to go through the
14 intersection at Puunene Road and Wakea. And it became a
15 lake in minutes. And that's gone on for years and years
16 and years. It used -- it used to be like that at,
17 remember, Dairy Road and Hana Highway? Is there
18 anything that we can do about that? Is that on the
19 radar screen?

20 CHAIR PONTANILLA: I -- I -- I think there's
21 some involvement with the Department of Highways. But
22 maybe the Department can provide you with some insights
23 in regards to their master plan for Central Maui,
24 Kahului, Wailuku.

25 Department?

1 MR. ARAKAWA: We -- we actually have several
2 long-term issues that we wanna resolve with -- with
3 regard to drainage. I know in the Kahului area, this
4 has been a long-standing issue to, basically, drain all
5 the water out. And what typically happens is that there
6 are -- there's a need for major drain line improvements
7 and it's, also, you know, very expensive. So what we --
8 there's several things we wanna -- we wanna work on.
9 And, basically, it involves partnerships with other
10 organizations, because the County cannot afford to do
11 this our -- ourself -- ourselves. So we have a possible
12 planning study that we wanna work with the Corps of
13 Engineers on. And having the Corps, basically, be
14 the -- the coordinating agency among various agencies
15 that are responsible for drainage and, basically, look
16 at drainage in terms of not only where the flooding
17 occurs, but where it starts, looking at drainage from
18 the whole watershed perspective. And we wanna do --
19 we're working with the Corps. And -- and I believe
20 it'll show up in the Fiscal Year '10 Budget proposal.
21 We wanna do, basically, a drainage and watershed study
22 for -- a general watershed study for the whole Island of
23 Maui. And we wanna do a specific South Maui drainage
24 study and, also, another specific South Molokai
25 watershed study as well. I know we've -- these are also

1 a couple areas where we -- we've had, you know,
2 long-standing drainage problems. I know in the case of
3 Molokai, we've tried to get Federal assistance for some
4 of the projects, but, you know, it's basically never met
5 the cost benefit ratio. So we were gonna try again and
6 try to get other agencies involved in trying to
7 basically do these -- these major drainage projects.

8 CHAIR PONTANILLA: Thank you.

9 COUNCILMEMBER BAISA: Thank you for a long
10 answer to a short question.

11 MR. ARAKAWA: Sorry.

12 COUNCILMEMBER BAISA: I guess that's gonna be
13 that way for a long time to come. And when it rains,
14 just avoid the area. Thank you.

15 CHAIR PONTANILLA: All right. Mr. Arakawa,
16 maybe you can give us a ballpark figure, just for
17 Kahului in general, how much it would cost to do the
18 master plan? I know you mentioned it to me maybe two,
19 three years ago, but just a -- as a reminder, how much
20 the -- it will cost the County to do this work.

21 MR. ARAKAWA: It's -- it's going to be in the
22 tens of millions that we're talking about.

23 CHAIR PONTANILLA: Thank you. Okay,
24 Members -- Mr. Arakawa, if you can go into the general
25 update and the list of pending street resurfacing

1 projects. Okay. And maybe you can explain, you know,
2 because of one company that do the paving in this
3 County, you know, what priority is the County on their
4 list?

5 MR. ARAKAWA: I -- I just have some general
6 comments on resurfacing. And if -- if the members wanna
7 ask questions, then, you know, we can certainly try to
8 answer them.

9 CHAIR PONTANILLA: Okay.

10 MR. ARAKAWA: But, basically, the -- every
11 budget year, we go through a -- a proposed list of
12 projects, proposed list of roads to be resurfaced
13 through the -- the budget process. And I just want to
14 mention, most of the Fiscal Year '08 resurfacing
15 projects should be starting fairly soon. We awarded a
16 single contract to Maui Paving, which is, basically, the
17 only paving contractor here on the Island of Maui, for
18 slightly less than 3.3 million to do the resurfacing for
19 Paia-Haiku, Makawao-Pukalani-Kula, Wailuku-Kahului,
20 Kihei-Makena and West Maui. So the Fiscal Year '08
21 monies which were budgeted have all been encumbered.
22 And we are currently working on encumbering the Fiscal
23 Year '09 appropriations.

24 So we're hopeful, like anybody else. You
25 know, price of oil and asphalt has kind of gone down.

1 And with economy -- economy being what it is, we're
2 hopeful that, you know, these can be done in an
3 expeditious manner.

4 CHAIR PONTANILLA: Thank you. Can you comment
5 on concrete?

6 MR. ARAKAWA: We -- because the price of
7 asphalt has just been skyrocketing over the past several
8 years, we were looking at doing some roads, resurfacing
9 of roads in concrete. Actually, the State has already
10 started that. As you've seen in Haleakala Highway, the
11 travel ways going up the hill are in concrete. And we
12 wanna kind of use that same kind of technology. And one
13 of the first projects we'll be looking at is Kamehameha
14 Avenue. This is the stretch between Hana Highway and
15 Puunene Avenue, in front of that whole Safeway and the
16 back of Maui Mall. So that contract has been awarded to
17 Maui Master Builders for about, I think, \$1.3 million.
18 So that should be starting sometime this year.

19 And, you know -- again, you know, concrete, we
20 never used concrete in the past because it was so
21 expensive. But with the price of asphalt just
22 increasing as it is, concrete does present some life
23 cycle advantages that -- in that it lasts a lot longer
24 than asphalt. So we'll see how people like it. And if
25 they like it, we -- we can do even more of that.

1 CHAIR PONTANILLA: Thank you. Member Baisa?

2 COUNCILMEMBER BAISA: Thank you very much,
3 Chair. I am particularly interested in the resurfacing of
4 Hapapa Road. And when is that scheduled?

5 CHAIR PONTANILLA: Can you direct the page to the Director?

6 COUNCILMEMBER BAISA: Well, on the report, on
7 Page 9, at the top, it's about four or five item -- five
8 or six items down. District Road Resurfacing 2009,
9 800,000, resurfacing -- and there's three roads --
10 Maukanani, Ponimoi, Hapapa -- and one more, I'm sorry --
11 Kahoea.

12 MR. ARAKAWA: I -- I -- I really cannot give
13 you a really good answer at this point. I -- I -- all I
14 know -- all I know is that we have encumbered all of the
15 Fiscal Year '08 monies. And what order the contractor
16 does his work -- I mean, we can make a request but lot
17 of times we try to allow the contractor the flexibility
18 to do the work in the most expeditious manner possible.
19 So I'm not sure where the Makawao-Pukalani-Kula
20 District roads would be in his -- you know, his priority
21 list as far as which goes first, second, third, or
22 what-have-you.

23 COUNCILMEMBER BAISA: So I can feel fairly
24 comfortable in telling -- telling these people who live
25 on that road, who call me regularly, that sometime this

1 year?

2 MR. ARAKAWA: It should be sometime this year,
3 for sure.

4 COUNCILMEMBER BAISA: Okay. Thank you.

5 The other thing I wanted to thank you for, of
6 course, was the resurfacing for part of Kimo Drive.
7 That's very much appreciated. The people in Kula really
8 appreciate it. But, of course, the question is when you
9 gonna do the other half. Is that something on the radar
10 screen in the next budget? You know, once you do half,
11 it doesn't look very good. The people on the half that
12 are done feel that they're wonderful, and the ones on
13 the top say, eh, what's wrong with us.

14 MR. ARAKAWA: Well, we have a lot of requests
15 like that.

16 COUNCILMEMBER BAISA: I'm sure you do, but I
17 just thought I'd make a plea. You know, as their
18 representative, it's my job to -- to plead for them. So
19 I just wanted to tell you again, thank you very much for
20 what you did, it means a lot. But, of course, they want
21 the other half. Thank you.

22 CHAIR PONTANILLA: Thank you, Member Baisa.
23 Member Johnson, do you have anything?

24 COUNCILMEMBER JOHNSON: Yes. And -- and I
25 guess we're just looking at -- you know, I'm just

1 looking at the totals at the bottom of Page 18 on the
2 CIP Report. It -- it showed an original appropriation
3 of 22,733,574, allotted to date is 27,560,717. So --
4 and amount lapsed, just about -- just under a million
5 dollars. But out of, I guess, what's been expended,
6 there's 1.861, 168.15 million. So that leaves -- says
7 you've encumbered almost \$10 million worth. So can you
8 -- can you explain to me how that relates to -- because
9 this goes over several, I guess, CIP years, what does
10 that mean in actual accomplishments with resurfacing?
11 Because I know sometimes you'll award the contract,
12 you'll encumber the money, but you won't give the notice
13 to proceed because we only have that one contractor. So
14 where do we stand overall in the number of projects, I
15 guess, that we gave you for roadway resurfacing and
16 what's actually been done?

17 MR. YAMASHITA: Okay. Yeah. Actually, of the
18 10 million that's encumbered, when I look at the list --
19 and I notice that from Market Street, for example,
20 there's like a four million encumbrance there alone.
21 When you add the two together, it's almost like five
22 and-a-half million, just for that project, one project
23 alone.

24 COUNCILMEMBER JOHNSON: Uh-huh.

25 MR. YAMASHITA: Probably the way, you know,

1 we -- we have been requesting -- well, we have been
2 paying the contractor for work completed. And we're
3 almost at 90 percent payment to the contractor. And I
4 believe this four million that's -- outstanding encumbrance
5 still hasn't been received from DOT because it's a DOT
6 -- yeah, it's -- it's titled as a DOT expense. The
7 other big ticket item I see here is \$939,000 that was
8 encumbered in the Fiscal Year '08. And that is part --
9 part of the Countywide that we are gonna start soon.

10 COUNCILMEMBER JOHNSON: Okay. But that's the
11 amount that lapsed, \$993,000. Are you look -- is
12 that . . .

13 MR. YAMASHITA: No, it's the encumbrance.

14 COUNCILMEMBER JOHNSON: Okay. So you -- you
15 moved that over to encumbrance? Or are you looking
16 at . . .

17 MR. YAMASHITA: It's listed as a encumbrance.

18 COUNCILMEMBER JOHNSON: Whereabouts?

19 MR. YAMASHITA: Page 17.

20 COUNCILMEMBER JOHNSON: Okay.

21 MR. YAMASHITA: Under Wailuku-Kahului District
22 Resurfacing.

23 COUNCILMEMBER JOHNSON: Okay. I'm not seeing
24 993,000.

25 MR. YAMASHITA: Oh, okay. Yeah.

1 COUNCILMEMBER JOHNSON: Oh, I see it.
2 993,107.40.

3 MR. YAMASHITA: Right.

4 COUNCILMEMBER JOHNSON: Okay. The amount that
5 I was referring to, though, is at the end of all those
6 totals under -- on Page 18, it just says amount lapsed
7 was \$939,052.94. That's under the first -- you know,
8 it's that bold --

9 MR. YAMASHITA: Yes.

10 COUNCILMEMBER JOHNSON: -- faced line. That's
11 more what I was concerned about.

12 MR. YAMASHITA: Okay. Let's see. One project
13 that stands out is this Papa-Lono Avenue Traffic Signal.
14 And that project hasn't been done. And that was Fiscal
15 Year '06 Budget.

16 COUNCILMEMBER JOHNSON: Okay. And then I see
17 there's some other ones. When -- just let me ask you a
18 general question. And if you have to refer to Budget
19 staff -- when we show the amount that's lapsed, are --
20 are those often reflective of just the project hasn't
21 gone forward or there are monies left over or, you know,
22 what? Because, see, when I see monies lapsed, it's
23 like, well, what happened. Either you didn't move
24 forward with the project or you miscalculated. So could
25 you kind of address that?

1 CHAIR PONTANILLA: Department?

2 MR. ARAKAWA: There -- there could be, I
3 guess, a variety of issues as to why funds lapse, per
4 se. Of course we always start off the fiscal year
5 intending to use all the money that's appropriated, but,
6 oftentimes, maybe issues come up during the year where
7 un -- unanticipated issues come up and the project gets
8 stalled for whatever reason. Maybe there's, also,
9 community concerns that we were unaware of at the time
10 we asked the appropriation, so the project is unable to
11 proceed at the pace that we had originally intended. So
12 it -- it may be any number of factors. I mean, it could
13 be we're in construction and we find something there
14 that we didn't anticipate, such as a water line or
15 archeological site or what-have-you, and that would
16 stall it. So, you know, it's, basically, things that
17 are -- are not anticipated at the time that we ask for
18 the money.

19 COUNCILMEMBER JOHNSON: Okay. And -- and some
20 of these monies are relatively old. You know, when you
21 look back in the fiscal years where they were originally
22 allocated, you know, why -- why are we carrying those?
23 Don't they just get rolled back over into the general --
24 into your -- I guess your -- your highway fund. But I'm
25 not understanding why we're even showing it if -- if

1 it's lapsed and it's dead and gone.

2 MR. ARAKAWA: Yeah. I -- I'm not sure why
3 it's shown, either.

4 COUNCILMEMBER JOHNSON: Because like some of
5 these monies are from like 1997. I -- I just -- you
6 know, I'm curious about why we're showing amounts that
7 lapsed, unless it's just a historical perspective to
8 show us, as Council Members, this is what happened in
9 those particular years with regard to a particular
10 project.

11 MR. ARAKAWA: Uh-huh. Some -- some of those
12 amounts that are lapsed, I -- I guess are shown in
13 relation to the -- the present encumbrances that still
14 exist. So we're aware that some of the contracts are
15 rather old. And, actually, we -- we've taken steps to
16 try to weed out a lot of those older contracts so that,
17 you know, the remaining balances would then become
18 carry-overs and could be used for other purposes rather
19 than just be --

20 COUNCILMEMBER JOHNSON: Yeah, I think . . .

21 MR. ARAKAWA: -- encumbered.

22 COUNCILMEMBER JOHNSON: I know it gets
23 confusing. And it certainly gets confusing to us.

24 But my final question, Mr. Chair, is just that
25 when we're looking at roadway resurfacing in general,

1 we're putting in money, you know, and I -- and I looked
2 at the CIP for, you know, coming years and whatnot --
3 and you have projections for each particular district.
4 Are those projections real or are they just like a
5 guesstimate as to what you may be able to get done?
6 Because with one -- only one paving company, if a huge
7 project is taking place in one district, I -- I mean,
8 I'd rather have just an honest response to say, look,
9 we're not gonna be able to focus on other districts,
10 maybe like pick each district and then rotate, because
11 -- I mean, I can put in the money, Mr. Molina or
12 Ms. Baisa can put in the money, but if it's not
13 realistic that these projects are not gonna get done, or
14 there's not gonna be roadway resurfacing, then I think
15 I'd rather not tie up that money, and I'd rather just
16 concentrate and get something done. So can -- can you
17 just generally address if -- if there's a better way to
18 approach this? Because it just seems like frustrating
19 for all of us. And you, too, I'm sure.

20 MR. ARAKAWA: Councilmember Johnson, one --
21 one of the steps we have taken, we have -- basically,
22 it's like -- it's like a resurfacing software, a
23 computer software that we recently got over the last
24 fiscal year, to give us a -- a better handle of all the
25 roads that we have under our jurisdiction and the

1 condition of those roads. And this software, basically,
2 gives us a more objective view of what roads need to be
3 resurfaced. And we're gonna be using that to provide
4 some information during this budget process -- process
5 is to try to approach road resurfacing in a more
6 objective manner.

7 The -- the other thing you -- you expressed
8 some frustration about, the -- the one contractor that
9 we have here on the island, which is, you know, valid
10 concern. But one of the other things that the -- the
11 software is going to tell us, too, is whether we should
12 be actually spending some of our resources for
13 preventive maintenance issues. That is, spending some
14 of our resources on roads that are, you know, still in
15 -- showing some signs of age, but are not potholed at
16 this point. So we can kind of lengthen the time that
17 these roads will be in fairly good condition before they
18 really need money spent on them for resurfacing, to kind
19 of stretch our dollar. And that's a separate contractor
20 that does those types of preventive maintenance types of
21 issues.

22 So we hope to give you a more comprehensive
23 idea of the whole program during the budget process.
24 And, you know, we're looking at other alternatives, too,
25 like, as was mentioned earlier, concrete as an

1 alternative for some roads. Maybe not all, but, you
2 know, at least some of the roads. Maybe roads for --
3 for example, in commercial areas or industrial areas
4 where you have more heavy trucks and more traffic. And
5 we want those roads to last longer as opposed to, you
6 know, roads that maybe you and I live on. So we trying
7 to get a more comprehensive package so that we don't
8 have to depend on, you know, just one contractor as much
9 as we have in the past.

10 COUNCILMEMBER JOHNSON: Yeah. I appreciate
11 it. And I know that this is not your fault, but, on
12 Lower Honoapiilani Road, land acquisition, that has been
13 on the book since Jesus was in short pants. So I really
14 would like to see something moving in that area. And I
15 know a lot of it is condemnation, land acquisition. And
16 I sound like a broken record, but I get tired of telling
17 my community, manana, manana, it's not happening. So if
18 you can do anything at all to move those kinds of issues
19 forward, I would really appreciate it.

20 CHAIR PONTANILLA: Thank you, Member Johnson.
21 Member Kaho'ohalahala, do you have any
22 questions for the Department?

23 COUNCILMEMBER KAHO'OHALAHALA: Yeah. On Page
24 19, on the report, you have -- you have listed here the
25 Lanai Community Plan and -- and Resurfacing. One of the

1 questions that came up for me on Lanai is that you --
2 you generalize Lanai District Roads, but there's no real
3 understanding of what roads you're specifically talking
4 about. And that is a question that the community is
5 asking, you know.

6 CHAIR PONTANILLA: Department?

7 MR. YAMASHITA: Okay. For the Lanai District,
8 the Fiscal Year 2008 for which the -- the bids have
9 already been awarded, we have Gay Street, Ilima Street
10 and Tenth Street.

11 COUNCILMEMBER KAHO'OHALAHALA: The entire
12 distance?

13 MR. YAMASHITA: I don't know of the exact
14 limits for each.

15 COUNCILMEMBER KAHO'OHALAHALA: So, Gay, Tenth
16 and Ilima?

17 MR. YAMASHITA: Yes. And in Fiscal Year 2009,
18 we're looking at Tenth Street. So, yeah, I guess -- I
19 guess that's a portion. In '08 and '09, we intend to
20 complete Tenth Street and use Tenth Street. But if you
21 look at the allocation, which is 200,000, that's not
22 very much, especially when the -- the price of
23 (inaudible) on Lanai is -- is higher than the rest of
24 our districts here.

25 COUNCILMEMBER KAHO'OHALAHALA: So you're

1 saying, then -- shouldn't you do it all at one time,
2 then?

3 MR. YAMASHITA: Yes, we could --

4 COUNCILMEMBER KAHO'OHALAHALA: I mean . . .

5 MR. YAMASHITA: -- provided we got the . . .

6 COUNCILMEMBER KAHO'OHALAHALA: Just -- just
7 the practicality of having to move equipment to an
8 island already, that you would phase these and -- and
9 stretch them out so that you'd have to bring 'em over,
10 take 'em away, bring 'em back again and then -- and then
11 tell me that it costs more for the materials, you know.

12 MR. YAMASHITA: Uh-huh.

13 COUNCILMEMBER KAHO'OHALAHALA: So I guess, you
14 know, that would be very helpful for us to know.
15 Because if you're gonna do -- and, you know, if you're
16 talking about maintenance as well as -- as resurfacing,
17 then, obviously, if you're gonna do any resurfacing,
18 then that would be your beginning point in -- in the
19 small community. And then following that, I would
20 imagine that the maintenance part of it would be
21 concentrated on. But right now, you know, that's --
22 that's kind of a concern that we would have. How do you
23 respond to the idea that you -- can you do it all at
24 once?

25 CHAIR PONTANILLA: Department?

1 MR. ARAKAWA: I -- I guess -- I -- I know in
2 some past budget years, the Council has seen fit to
3 basically try to bundle the appropriations and do the
4 appropriations for like Lanai and Molokai in alternate
5 years. So, you know, if that's a policy direction, we
6 can certainly implement that. If it's appropriated on
7 each year, you know, you're right, you know, there's --
8 there's mobilization each time. So I know in some cases
9 we -- we've kind of tried to combine, you know,
10 adjacent years so that there's only one contract. So --
11 I mean, we can -- we can try to do that, too.

12 I think in this case, the '08 and '09, I think
13 it's the contractor -- '08 case is Lanai Builders, I
14 think, that's -- that got the contract for that, the '08
15 monies.

16 COUNCILMEMBER KAHO'OHALAHALA: So you're
17 talking, on the three that you named, that it's -- it's
18 already been contracted to them?

19 MR. ARAKAWA: Yes. I believe -- I believe
20 that's been awarded.

21 COUNCILMEMBER KAHO'OHALAHALA: Okay. And in
22 terms, then, of equipment, and that's on island? They
23 would be . . .

24 MR. ARAKAWA: I'm not sure. But it's Lanai
25 Builders, so, you know, their -- I believe they have

1 their equipment on island.

2 COUNCILMEMBER KAHO'OHALAHALA: I'll check --
3 check into that. And then when you have road repairs or
4 resurfacing, is there an -- an inspection that's
5 required? And then who does the inspection?

6 MR. YAMASHITA: Yes, we do conduct inspection
7 with our in-house forces.

8 COUNCILMEMBER KAHO'OHALAHALA: Just within
9 your Department, then?

10 MR. YAMASHITA: That is correct.

11 COUNCILMEMBER KAHO'OHALAHALA: And then if the
12 inspector then deems that the -- the work is not
13 sufficient or not up to what you have a standard that
14 they would be inspecting against, then you would be then
15 responsible for redoing that? Or how does that -- what
16 does your inspector do in-house that will assist you in
17 terms of resurface work?

18 MR. YAMASHITA: Well, we check for compaction
19 requirements, make sure, you know, that it is -- it is
20 done within the plans and specifications. And if, say,
21 for some reason the compactions don't come within the
22 tolerances, then we do have a graduated scale where we
23 reduce payment, or, even if it's so bad, we'll require
24 complete removal.

25 COUNCILMEMBER KAHO'OHALAHALA: Okay. So in

1 the case of -- of all of your contracts, then you will
2 be providing the inspectors to those -- to those jobs,
3 then?

4 MR. YAMASHITA: That is correct. For
5 resurfacing projects, we do provide the inspection.

6 COUNCILMEMBER KAHO'OHALAHALA: Okay. Thank
7 you.

8 And then -- Chair, then we would probably
9 wanna take a look at how -- I mean, one of the things I
10 do want to take a look at from the Department is the
11 Lanai plan that you described earlier for drainage as
12 well as for -- do you have a -- a -- a plan for
13 resurfacing? Milton, you talked about a new system
14 you're gonna implement. Is Lanai gonna be on that
15 system so we understand what the entire community's
16 situation will be?

17 MR. ARAKAWA: It's gonna be for the whole
18 County, so, yeah. We wanna provide a -- a comprehensive
19 -- hopefully, an object -- more objective look at what
20 should be done to resurface and care for our roads.

21 COUNCILMEMBER KAHO'OHALAHALA: Okay.

22 MR. ARAKAWA: So . . .

23 COUNCILMEMBER KAHO'OHALAHALA: Is this -- is
24 this program going to be available to anyone?

25 MR. ARAKAWA: It's, basically, an in-house

1 thing, but I mean, it's -- it's available. I mean, you
2 know, we could -- we could -- we could provide it.

3 COUNCILMEMBER KAHO'OHALAHALA: No. I mean,
4 I'm asking because I can Google Lanai right now, and I
5 can tell you all the streets. And I can probably see,
6 you know, the potholes if I -- but will you have access
7 to the information that is gonna be a comprehensive use
8 so that the community also has an idea of -- of where
9 street repairs or drainage issues are, and may be able
10 to be more, you know, supportive in what their needs are
11 than not knowing at all? And then it's a hit or miss,
12 so that, today, somebody's yard is flooded because
13 there's more drainage issues coming in their direction.
14 So -- so I -- I -- is that information that will be
15 available online that -- that we may access?

16 MR. ARAKAWA: We -- we can look into that as
17 far as what can be made available, I suppose.

18 COUNCILMEMBER KAHO'OHALAHALA: Okay. Now, if
19 you can answer that and -- and -- because if it's a
20 funding issue, too, then we should -- we should know.
21 Are you currently prepared to -- to fund that within
22 your Department right now?

23 MR. ARAKAWA: As far as the software of --

24 COUNCILMEMBER KAHO'OHALAHALA: Yes.

25 MR. ARAKAWA: -- the program? I think the

1 only thing we're kinda really looking for is some
2 equipment, I think a -- a laptop, I think, laptop
3 computer, to kind of help the field folks, you know, as
4 they're going out in the field to, basically, enter the
5 data.

6 COUNCILMEMBER KAHO'OHALAHALA: Okay. So,
7 Mr. Chair, at some point in time, if you can clarify the
8 accessibility to the information for the -- the
9 communities throughout Maui County?

10 CHAIR PONTANILLA: Sure. Mr. Arakawa, do you
11 folks utilize the GIS system? And is there any overlay
12 regarding, you know, our plans to do like drainage,
13 resurfacing, that could be overlaid on the GIS, or with
14 GIS?

15 MR. ARAKAWA: We haven't really used GIS to a
16 great extent at this point. We have the master plans,
17 as I've -- as I've mentioned, but -- we can take a look
18 at what -- what capabilities GIS can afford us in that
19 regard. It may -- it might help on more of the
20 coordination aspects, I think, with other departments,
21 that -- that could help.

22 CHAIR PONTANILLA: Yeah. And -- and I think
23 would be good for the County to have overlays, not --
24 not only with the roads and the drainage system, but,
25 also, water lines and sewer lines throughout Maui

1 County.

2 Mr. Mateo? Mr. Victorino?

3 COUNCILMEMBER VICTORINO: Yes. Thank you.

4 Since my colleagues are very interested in
5 their particular districts, then I am particularly
6 interested when West Main Street, which is worse than
7 going to Hana right now, is going to be repaired.
8 Because I've asked that question the last two budget
9 cycles. The last two budget cycles, I was told it's
10 coming soon. I been to many theaters where it's coming
11 soon, and that movie came and went. So with that being
12 said, when can we expect West Main Street -- which is
13 one of the heaviest traveled roads, because we have
14 tourist, locals, everybody else. When can we expect
15 that street to have improvements, really needed?

16 CHAIR PONTANILLA: Mr. Victorino, is that in
17 front of St. Anthony School?

18 COUNCILMEMBER VICTORINO: No.

19 CHAIR PONTANILLA: No.

20 COUNCILMEMBER VICTORINO: West Main Street is
21 right up here, going to Iao Valley. That's West. East
22 Main is in front of --

23 CHAIR PONTANILLA: Okay.

24 COUNCILMEMBER VICTORINO: -- St. Anthony.

25 That's -- that would be another question, but I think

1 that one more important than even that one. Thank you.

2 CHAIR PONTANILLA: Okay. Department?

3 MR. ARAKAWA: West Main is part of the Fiscal
4 Year '08 resurfacing package. So -- so you kind of in
5 the same boat as Councilmember Baisa. Probably we're
6 looking before the end of the year, you know, the
7 resurfacing will get done on West Main.

8 COUNCILMEMBER VICTORINO: Okay. Then I have a
9 question that's kinda off the subject, but really
10 important to a lot of people. And I kinda -- Mr. Chair,
11 if you'd indulge me real quickly. I'd like to know,
12 when we have construction in particular areas and that
13 construction tremendously damages the roadway that
14 exists, who's responsible to repair that roadway once
15 the construction is completed?

16 MR. ARAKAWA: The -- if it's talking about
17 private or State construction, or even County
18 construction, basically, the -- the contractor, or
19 whoever's doing the construction, would be responsible
20 to repair the -- the damage to the road. If it's -- for
21 instance, if you putting in water line or utilities or
22 what-have-you --

23 COUNCILMEMBER VICTORINO: Uh-huh.

24 MR. ARAKAWA: -- you'd have to restore it to
25 what it was before.

1 There are issues like with, for instance --
2 like, for instance, truck traffic where people have
3 complained about the roads being deteriorated. In that
4 case, though, it's, basically, you know, if -- if
5 there's major damage to the road, basically, I think
6 half of the road is required, along the frontage of the
7 development that's required to be resurfaced, not -- not
8 the whole road.

9 COUNCILMEMBER VICTORINO: Because we've had,
10 as you know, in Wailuku and in Kahului, and in other
11 parts of the County, tremendous growth and development.
12 And Kuikahi, which is what I'm referring to, is in
13 tremendous disrepair, especially the Kihei side. And
14 many of the residents who've lived out there for many
15 years, either the old section, or even in the new section of
16 Wailuku Heights, along with all the other new people moving there,
17 are asking me when and if that road is ever going to be repaired.
18 So that was my question, is, who is responsible, does the contractor
19 who has had all these big vehicles going up and down, who really
20 has torn the road up? And wouldn't that been -- that may be
21 another idea. Maybe that would be one of those roads
22 that you'd wanna look at concrete slab because of the
23 heavy traffic moving up and down. And that is a steep
24 grade. Lived there for 22 years. But -- you -- so
25

1 you're saying it's not anybody's responsibility, or some
2 of it might fall on the contractor who happens to
3 develop that side of the -- the particular project
4 district? Is that what you're answering?

5 MR. ARAKAWA: You know, that crosshatched area
6 on Kuikahi, the widening area was -- was done by the
7 developer. But the actual two lanes of Kuikahi, it
8 wasn't much work on that. And I -- I saw the
9 deterioration that occurred just over the past several
10 years, but, basically, there's nothing on our books to
11 require the contractor, or any contractor, to resurface
12 the entire length of Kuikahi. That would fall,
13 basically, under the County to -- to, basically,
14 resurface. But concrete might be an option, you know,
15 as far as redoing the road.

16 COUNCILMEMBER VICTORINO: Especially with that
17 steep grade and -- and the amount of rainfall that helps
18 deteriorate the -- the steep slope, yeah.

19 So, anyhow, Mr. Chair, one of those questions
20 that I wanted to ask. Thank you, Mr. Chair, for
21 allowing me that opportunity.

22 CHAIR PONTANILLA: Thank you, Mr. Victorino.

23 Just two quick -- quick questions before we
24 adjourn. Mr. Arakawa, you know, I mentioned about the
25 road in front St. Anthony's School, when it's gonna be

1 resurfaced, as well as fronting the Wailuku Fire Station
2 on Wells Street.

3 MR. ARAKAWA: Councilmember Pontanilla, I
4 believe we're looking at a portion of Lower Main
5 resurfacing in the Fiscal Year '09 resurfacing package
6 for Wailuku-Kahului. Right now, it's looking like Lower
7 Main -- portions of Lower Main, Eha Street, you know,
8 the industrial section of Eha Street and Kaohu.
9 And I guess we have to see if we have enough money for
10 the area by the fire station. Perhaps we can stretch it
11 to that. I'm not sure.

12 CHAIR PONTANILLA: Okay. Thank you. Maybe
13 you can take a look at all of these old projects, and
14 wherever projects are done, you know, utilize that
15 monies.

16 COUNCILMEMBER VICTORINO: Mr. Chair?

17 CHAIR PONTANILLA: Mr. Victorino.

18 COUNCILMEMBER VICTORINO: One -- one quick
19 question. And this actually falls under you, but I
20 guess it would go back to the Administration. It has
21 been brought to my attention that the extension between
22 Mill Street and Waiale, the old cane road, was never
23 encumbered or bought by the County. It's still in
24 private hands. Is there any thought process on that?
25 Because I'm not seeing anything in the last couple

1 years. And, yet, that was, at one time, one of the
2 major expansions for traffic from Mill to Waiale and
3 taking Waiale up. Is there anything in the near future
4 as far as your -- your considerations for that purchase?

5 MR. ARAKAWA: That's probably something we
6 need to work on. You probably recall there was some
7 issues, though, with -- with how the cane haul road
8 intersected with Lower Main section, and how it would
9 impact St. Anthony's School.

10 COUNCILMEMBER VICTORINO: That is correct.

11 MR. ARAKAWA: The school was quite concerned
12 about any taking of land from them. So there's a need
13 for that road. Right now, the right-of-way width is
14 still not -- it's a nonstandard width, so we have to
15 decide whether or not we wanna just accept the
16 nonstandard width or, basically, require more land. And
17 so those are some of the issues that are surrounding
18 that.

19 And, also, what are we gonna do with Mission,
20 Mission Street, whether we need to close it off on one
21 side or -- or not. Because the entrance and exit off of
22 Lower Main would be right next to where the -- Mission
23 also exits and enters off of Lower Main. So that is
24 quite close so, you know, it becomes like a traffic
25 issue which we need to address. So you're -- you're

1 right, we need to address that. But there are a number
2 of issues that are still -- are still pending on that.

3 COUNCILMEMBER VICTORINO: Okay. Thank you,
4 Mr. Chair.

5 CHAIR PONTANILLA: Thank you. Members, if
6 there's no more questions, the -- Member Mateo?

7 VICE-CHAIR MATEO: One more, Chairman. I'm
8 sorry. And the question would probably be to -- to you,
9 Mr. Chairman, and perhaps addressed to our Budget
10 Director.

11 Ms. Johnson brought up a lot of interesting
12 questions regarding all of the encumbrances that we see,
13 because we're virtually looking at millions of dollars,
14 millions of dollars that continue to sit in this
15 particular category, when we are in fact borrowing money
16 to meet ends, to make ends meet. The Budget Director
17 perhaps could tell us how Administration is taking a
18 look at -- at this source because some of these monies
19 are -- are -- are from projects that are completed and
20 there's an excess amount of funds here. So somebody
21 gotta do something to be able to pull these monies out
22 so we can stop our bleeding and help to meet our
23 County's ends.

24 Perhaps this can be a source, Mr. Chairman, of
25 just getting this area in front of the Kahului Fire

1 Station paved, because funds exist. You know, out of
2 two particular projects, we talking over two million
3 dollars that are already existing. And these funds are
4 still sitting here.

5 So somebody need to clean house and go through
6 these funds and make 'em available, because we looking
7 at millions of dollars sitting here. So perhaps through
8 -- through your pen, Mr. Chair, we can try to find some
9 kind of a response.

10 CHAIR PONTANILLA: Thank you.

11 COUNCILMEMBER MATEO: Thank you.

12 CHAIR PONTANILLA: Thank you, Member --
13 Chairman Mateo.

14 First of all, I -- I'll call on the Budget
15 Director because he and I had the same discussion. And
16 he's trying to clean up the CIP projects that are on the
17 list. I -- at one time, I know we had like over 600 CIP
18 projects. And he's whittled that thing down. And in
19 regards to your -- your comments, yeah, I had the same
20 concerns.

21 Mr. Pablo?

22 MR. PABLO: Thank you, Chair Pontanilla. And
23 thank you, Chair Mateo.

24 We are working on this. As -- as Chair
25 Pontanilla indicated, when -- when this Administration

1 came on, there was over 500 projects on this listing.
2 We have brought it down about -- by about 100. We are
3 still working with the Finance Department. I think one
4 of your Members asked why are some projects dating back
5 to 2003 are still here. We are working with the --
6 (audio went blank.) Lost me?

7 It's very difficult to work with, but we are
8 working with them in trying to isolate, identify the
9 projects. Sometimes the project will stay on, if
10 there's an amount encumbered and hasn't been cleared
11 yet. Sometimes a project will stay on when there's a
12 balance still owing. There's also projects where
13 there's prior appropriations and it's -- and it's
14 continuing. But what we're trying to do is identify the
15 projects that we can move out because, like you say,
16 it -- it does free funds. If we can disencumber amounts
17 that are no longer owing, that does go into our
18 carryover savings. So we definitely are working on
19 that.

20 The other reason we're -- we're doing that is
21 trying to make sure that our financial reporting becomes
22 a good management -- management information report,
23 something that the departments and their division chiefs
24 can refer to and monitor the work on -- on each of the
25 projects.

1 Right now, as you can see, it goes on for
2 pages and pages and there's a lot of projects on it.
3 But it is something that this administration is working
4 on. The Budget Office, in coordination with the Finance
5 Office, will be coming up and working with each
6 department to clear this out.

7 Thank you for that question.

8 CHAIR PONTANILLA: Thank you, Mr. Pablo.
9 Yeah, thank you for that response, because you and I,
10 you know, like I said, had this conversation probably a
11 couple years ago.

12 So, Member Johnson?

13 COUNCILMEMBER JOHNSON: Just in that regard --
14 and I don't know if this is possible or not -- but a lot
15 of times Mr. Pablo or Finance Director, or other
16 personnel in the Department, don't have that additional
17 time to address those backlogged issues. And I just
18 wonder, if that's the case, where if you had an outside
19 contract let to make a specific project -- because I
20 know that's how we got, I think it's Mullen & Company,
21 to actually take care of our backlog on some of our
22 workman's comp claims and some other outstanding
23 liabilities. Perhaps it might be some -- some kind of
24 opportunity to just get a contract, issue it, and try to
25 have that person concentrating on get -- getting that

1 done.

2 And I don't know, Mr. Pablo, if you've thought
3 of that or not, or if it's even possible.

4 MR. PABLO: Maybe I could answer that, Chair
5 Pontanilla?

6 CHAIR PONTANILLA: Go ahead.

7 MR. PABLO: When -- when Mayor Tavares came
8 on, on board, she had requested this Council to approve
9 a -- a CIP coordinator. And we're hoping that now that
10 that position has been approved, we can go out and find
11 a CIP coordinator who could coordinate the -- the
12 overall work in CIP projects for the County. This --
13 this CIP coordinator position is still open. I believe
14 it is being advertised presently.

15 CHAIR PONTANILLA: Uh-huh.

16 COUNCILMEMBER JOHNSON: Yeah. And I -- I -- I
17 guess my interpretation of the CIP coordinator is more
18 of a hands-on, you know, making sure that these things
19 get concluded. If -- if what you're saying is that as a
20 part of this, it's to take care of these unexpended
21 encumbrances -- all I'm looking at is from a financial
22 perspective, to identify, you know, those particular
23 things. And it may be a person who's a numbers person
24 as opposed to CIP coordinator. That -- and -- and --
25 and I appreciate your comments.

1 Thank you very much.

2 CHAIR PONTANILLA: Thank you.

3 Members, this concludes our review with both
4 Public Works as -- as well as Environmental Management.
5 Members, thank you for being here this morning. Thank
6 you, Staff. And I also like to thank the
7 Administration, Ms. Okuma as well as Mr. Arakawa, for
8 being here this morning.

9 Tomorrow, we review the Water Department in
10 the morning, and Parks in the afternoon. So in the
11 afternoon, our Council Chair will be sitting up here
12 reviewing with Parks. I do have personal business to
13 attend to.

14 So, Members, any comments or anything you want
15 to say at this time? Member Johnson?

16 COUNCILMEMBER JOHNSON: No. I just had a
17 question that -- because I know we're dealing with, you
18 know, not the '10 budget right now, and we're dealing
19 with these other, I guess, transitional things from past
20 years, is it possible -- I know we have a posting, you
21 know, issue, but is it possible, if one department --
22 like we got finished ahead of schedule today, is it
23 possible that we could post, perhaps, for some
24 additional, you know, departments, or if we got through
25 with both in the morning, is -- is that a possibility?

1 CHAIR PONTANILLA: Yes. When we going through
2 the budget process -- and, of course, you know, when you
3 look at the budget schedule, we have different
4 departments scheduled -- if we complete early, you know,
5 we certainly can bring the other departments forward so
6 that we can speed up our process.

7 My intentions, though, is to make sure that we
8 don't get burnt out, yeah.

9 COUNCILMEMBER JOHNSON: Uh-huh.

10 CHAIR PONTANILLA: And I would like to
11 conclude those meetings at about 4:30 in the afternoon.
12 And probably, you know, during the decision time, you
13 know -- you know, we'll have to stay a little later,
14 but, hopefully, not.

15 COUNCILMEMBER JOHNSON: Okay. Thank you very
16 much.

17 CHAIR PONTANILLA: Thank you.

18 Members, if there's no objections, the Chair
19 would like to defer both BF-4 as well as BF-5.

20 COUNCIL MEMBERS: No objections. (Ex. BM, MM,
21 WN, and MV)

22 CHAIR PONTANILLA: Thank you. This meeting is
23 adjourned.. ...(gavel)...

24 ACTION: DEFER pending further discussion.

25 ADJOURN: 12:13 p.m.

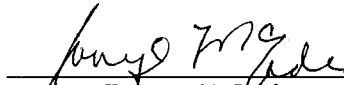
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CERTIFICATE

I, TONYA MCDADE, a Court Reporter of the State of Hawaii, do hereby certify that the electronically-recorded proceedings contained herein were taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; that the foregoing represents, to the best of my ability, a true and accurate transcript of the electronically-recorded proceedings had in the foregoing matter.

I further certify that I am not an attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 9th day of April, 2009.



Tonya McDade
Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Reporter